ASIA AVIATION
Public Company Limited



3Q2026

Management Discussion and Analysis

Asia Aviation Public Company Limited
(AAV:TB)

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EXECUTIVE SUMMARY

Tourism in Thailand experienced a modest YoY decline in 3Q2026, offset by growth led by Greater China and the Middle East.

Thailand recorded 7.06 million inbound tourist arrivals in the third quarter of 2026 ("3Q2026"), down 5% year-on-year ("YoY") and bringing nine-month ("9M2026") totals to 22.94 million (-4% YoY). The 3Q2026 contraction stemmed largely from short-haul weakness, led by double-digit declines from ASEAN (-17% YoY) and South Asia (-15% YoY). In contrast, the Middle East rebounded sharply (+13% YoY), and East Asia expanded by 3% YoY—anchored by Greater China's 12% YoY surge (China, Hong Kong, Macau, and Taiwan), where mainland China rose 12% YoY to 1.29 million arrivals, offsetting a 31% YoY plunge in South Korean visitors. Long-haul source markets posted modest gains, with Europe up 2% YoY and the Americas up 1% YoY. Domestically, travel demand proved resilient as visits edged up 1% YoY to 84.8 million, even as airline capacity cuts drove a 4% YoY decline in domestic flight volume[1].

TAA prioritised cost efficiency and capacity discipline in 3Q2026 to mitigate low-season volatility and high fuel prices.

In response to off-peak seasonal demand and elevated cost pressures—with average jet fuel prices surging 61% YoY to USD 137.5 per barrel—Thai AirAsia ("TAA") maintained its disciplined capacity rationalisation strategy in 3Q2026. As overall seat capacity was curtailed by 26% YoY to 4.41 million seats, passengers carried declined 29% YoY to 3.36 million, resulting in a load factor of 76%. Domestically, TAA deployed 3.04 million seats (-22% YoY) with a 78% load factor, while international capacity was right-sized by 33% YoY to 1.37 million seats, achieving a 72% load factor.

To enhance fleet and cost efficiency while matching low-season demand, TAA executed strategic network adjustments across both sectors. Domestically, the airline temporarily suspended flight operations at its Suvarnabhumi Airport ("BKK") base during August and September alongside flight reductions at Don Mueang ("DMK"). These capacity cuts temporarily lowered domestic passenger market share to 31%, which is expected to be recaptured to 40% in the last quarter of the year. Internationally, TAA temporarily suspended selected routes to Hong Kong, South Korea, and Nepal, consolidated its network to operate 4 routes to India[2] and 8 routes to China[3], and resumed services to Singapore and Indonesia following partial suspensions in 2Q2026. Operationally, TAA demonstrated strong execution, lifting On-Time Performance ("OTP") to 90% (up from 86% YoY and from 88% QoQ) across an average operating fleet of 42 aircraft. This commitment to operational excellence was further underscored during the recent flooding in Bangkok, where the airline successfully maintained its on-time flight schedule despite challenging ground conditions. Underpinning this track record of service and operational reliability, AirAsia was named the World's Best Low-Cost Airline at the Skytrax World Airline Awards in September for the 17th consecutive year.

[1] AOT Air Traffic Report

[2] DMKBLR, DMKCCU, DMKCOK, DMKMAA

[3] DMKCAN, DMKCKG, DMKCSX, DMKTFU, DMKHGH, DMKKMG, DMKSZX, DMKWUH

Sustained fare growth helped absorb rising unit costs, though not yet fully.

In 3Q2026, Asia Aviation ("AAV") reported revenue from sales and services of Baht 8,072.6 million, down 13% YoY primarily due to lower passenger volumes. This was partially cushioned by disciplined yield management, which drove average fares up 24% YoY to Baht 2,023 and boosted RASK by 29% YoY to Baht 1.96. On the cost front, despite softening quarter-on-quarter, elevated fuel expenses remained substantial at 42% of revenue from sales and services, up from 36% in 3Q2025, while maintenance and overhaul expenses rose 14% YoY to Baht 2,233.2 million, mainly from higher overhaul activities and aircraft redelivery costs. Despite strict overhead control, reduced flight capacity pushed unit costs higher, with CASK and CASK ex-fuel rising 40% YoY and 36% YoY to Baht 2.50 and Baht 1.68, respectively. As a result, AAV posted negative EBITDA of Baht (409.8) million and a net loss of Baht (2,367.9) million. Excluding a non-cash foreign exchange loss of Baht (140.6) million, core net loss stood at Baht (2,255.4) million.

High-season network restorations position TAA for a strong 4Q2026 rebound.

Heading into the 4Q2026 high season, TAA plans to reactivate suspended capacity, beginning in October with the resumption of services from its BKK hub to Chiang Mai, Krabi, and Phuket. On the international front, the airline will resume flights to key destinations in India and Kuala Lumpur, while increasing frequencies across most of its existing network. Against this backdrop, management anticipates a notable improvement in 4Q2026 operating performance over the prior two quarters, supported by our target to scale the active fleet to 54 aircraft by December. See more outlook on page 10.

FINANCIAL PERFORMANCE SUMMARY

Asia Aviation Public Company Limited ("the Company" or "AAV") is the sole shareholder of Thai AirAsia Company Limited ("TAA"), an airline operator of Thai AirAsia.

AAV's financial performance for the three-month and nine-month periods ended 30 September 2025 and 2026 is summarised below:

STATEMENT OF COMPREHENSIVE INCOME

Asia Aviation Public Company Limited (Unit: Baht million)	Consolidated For the three-month period ended 30 September		Change	Consolidated For the nine-month period ended 30 September		Change
	2026	2025		2026	2025	
Total revenues	8,224.8	9,929.7	-17%	32,650.2	34,833.3	-6%
Total expenses	10,050.2	10,415.4	-4%	34,259.2	32,254.4	+6%
Profit (loss) from operating activities	(1,825.4)	(485.8)	-276%	(1,609.0)	2,578.9	N.A.
Profit (loss) for the period	**(2,367.9)**	**(874.7)**	**-171%**	**(3,853.1)**	**726.7**	**N.A.**
Basic earnings (loss) per share (Baht)	**(0.1843)**	**(0.0681)**	**-171%**	**(0.2999)**	**0.0566**	**N.A.**
EBITDA Reconciliation						
Profit (loss) from operating activities	**(1,825.4)**	**(485.8)**	**-276%**	**(1,609.0)**	**2,578.9**	**N.A.**
Gain (loss) on exchange rate	(140.6)	454.3	N.A.	(1,447.5)	1,889.4	N.A.
Gain (loss) on derivatives	2.5	(6.5)	N.A.	302.2	(81.4)	N.A.
Gain (loss) from disposal assets	0.3	(0.02)	N.A.	0.8	(0.5)	N.A.
Depreciation and amortisation	1,277.8	1,294.5	-1%	3,813.6	3,577.4	+7%
EBITDA	**(409.8)**	**361.0**	**N.A.**	**3,349.1**	**4,348.8**	**-23%**

OPERATING STATISTICS

In 3Q2026, TAA maintained strict capacity discipline amid low-season softness and high jet fuel prices. Total passengers carried fell 29% YoY to 3.36 million on 4.41 million seats deployed (-26% YoY), resulting in a 76% load factor (-4 ppts YoY). ASK contracted 33% YoY to 4,117 million seat-km, while RPK dropped 35% YoY to 3,130 million seat-km across 23,446 stages flown (-26% YoY). The operating fleet averaged 42 aircraft (down from 54 in 3Q2025) out of a 62-aircraft total. Strong schedule execution lifted On-Time Performance (OTP) to 90%, up from 88% in 2Q2026.

Domestically, passengers dropped 25% YoY to 2.38 million as seat capacity was cut 22% YoY to 3.04 million (69% of total capacity). This followed the temporary suspension of BKK operations in August–September to consolidate at DMK and optimise costs. Domestic load factor stood at 78% (-4 ppts YoY), while active yield management pushed average domestic fares up 28% YoY to Baht 1,590.

Internationally, passengers declined 37% YoY to 0.99 million alongside a 33% YoY capacity cut to 1.37 million seats (31% of total capacity) to counter low-season demand and high overseas fuel costs. TAA temporarily paused selected routes (Hong Kong, South Korea, Nepal, 5th Freedom Hong Kong-Okinawa) and trimmed frequencies such as to India, while resuming Singapore and Indonesia services. International load factor reached 72% (-4 ppts YoY), and focused yield discipline drove average fares up 26% YoY to Baht 3,066.

REVENUES

Total revenues amounted to Baht 8,224.8 million in 3Q2026, representing a 17% YoY decrease from Baht 9,929.7 million in 3Q2025, due to proactive capacity reductions during the low season and the unrealised FX gains recorded in the comparative period last year.

- **Revenues from sales and services** decreased by 13% YoY to Baht 8,072.6 million, driven by a reduction in passenger volume, which was partially offset by strong fare increases and higher per-passenger ancillary spending.
    - **Ticket revenue** declined 12% YoY to Baht 6,802.3 million, driven by a 29% drop in passenger volume, partially offset by a 24% YoY increase in average fare to Baht 2,023.
    - **Ancillary income** decreased 18% YoY to Baht 1,270.2 million, accounting for 16% of revenues from sales and services, mainly driven by lower checked baggage revenue stemming from reduced passenger volumes. However, **ancillary revenue per passenger** increased by 15% YoY to Baht 378, primarily driven by higher processing fees following the reinstatement of booking fees on AirAsia MOVE, improved baggage pricing, alongside increased take-up rates for seat selection and pre-booked meals.
- **Other income** stood at Baht 152.3 million, down 77% YoY from Baht 653.3 million in 3Q2025, primarily due to the high prior-year base that included an unrealised FX gain of Baht 454.3 million.

Overall, **Revenue per Available Seat-Kilometre ("RASK")** rose 29% YoY to Baht 1.96, up from Baht 1.52 in 3Q2025, driven by robust ticket fare yields.

EXPENSES

Total expenses amounted to Baht 10,050.2 million in 3Q2026, down 4% YoY from Baht 10,415.4 million in 3Q2025, as lower flight-activity expenses and strict cost controls offset elevated jet fuel prices.

- **Cost of sales and services** decreased by 2% YoY to Baht 9,210.9 million.
    - **Fuel costs** increased slightly by 1% YoY to Baht 3,380.9 million, representing 42% of revenue from sales and services. Although total fuel consumption dropped 33% YoY to 0.51 million barrels following capacity cuts, the average jet fuel price rose 61% YoY to USD 137.5 per barrel, alongside a depreciation of the Thai Baht against the US Dollar from Baht 32.26 to 33.18 per USD YoY.
    - **Staff costs** decreased by 8% YoY to Baht 1,141.3 million, following the reduced number of flights.

- **Maintenance and overhaul costs** increased by 14% YoY to Baht 2,233.2 million, primarily attributable to expenses for aircraft redeliveries and the management of maintenance check cycles.
- **Other costs of sales and services** stood at Baht 2,455.5 million, down 15% YoY, driven by lower ground operations and airport-related expenses resulting from fewer flights.

- **Selling and administration expenses ("SG&A")** were Baht 668.6 million, a decrease of 32% YoY, attributed to lower advertising and marketing costs and reduced commissions paid to travel agents and OTAs. Consequently, SG&A to revenue from sales and services stood at 8%, a decrease from 11% in the same period last year.
- **Other expenses** were Baht 170.7 million, primarily consisting of an unrealised non-cash foreign exchange loss of Baht (140.6) million following the Thai Baht depreciation.

Overall, **Cost per Available Seat-Kilometre ("CASK")** increased 40% YoY to Baht 2.50, driven by spiking jet fuel prices. CASK ex-fuel rose 36% YoY to Baht 1.68, primarily due to the 33% lower ASK and higher maintenance costs.

PROFIT AND LOSS

AAV recorded an **EBITDA** of Baht (409.8) million in 3Q2026, compared to Baht 361.0 million in 3Q2025. The Company recorded a tax expense of Baht 30.4 million, rather than tax income, following a reversal of deferred tax assets from lower projected utilisation of tax loss carryforwards. As a result, **net loss** was Baht (2,367.9) million, compared to Baht (874.7) million in 3Q2025. Excluding the impact of a Baht (140.6) million net foreign exchange loss, **core loss** stood at Baht (2,255.4) million, compared to Baht (1,238.2) million in 3Q2025.

A snapshot of Asia Aviation's financial performance for the nine-month period ended on 30 September 2025 and 2026 is summarised below:

During 9M2026, Thailand's tourism sector experienced a mixed recovery, as early-year momentum in the first quarter was tempered by softer seasonal travel demand in the second and third quarters alongside macroeconomic headwinds from the Middle East conflict. While inbound arrivals from Northeast Asia (+4%), led by Greater China (+13%), continued to recover, contractions in ASEAN (-15%), South Asia (-3%), and Middle East (-5%) arrivals, while European and American arrivals remained flat, coupled with slowed economic activity, weighed on overall regional travel sentiment.

For TAA, prolonged geopolitical conflict and the resulting surge in global jet fuel prices abruptly shifted the operating landscape, reversing a strong first-quarter performance into negative territory across the second and third quarters. In response, management proactively right-sized capacity to safeguard positive contribution margins and adapt to softer demand dampened by rising travel costs, reducing total network capacity by 9% YoY for the nine-month period. International capacity saw a deeper cut, reflecting steeper fuel cost spikes at certain overseas destinations compared to domestic routes, alongside lower economies of scale. Domestically, the airline concentrated flight activities on its primary DMK hub—including the temporary suspension of BKK flights across August and September—while maintaining passenger trust through prompt schedule notifications, alternative routing, and dedicated customer support. In parallel, TAA maintained disciplined yield management, steadily lifting fares to compensate for lower load factors and support cash generation. As a result, average domestic fares rose 1% YoY to Baht 1,536, while average international fares climbed 6% YoY to Baht 2,980. However, looking at 2Q–3Q alone, average fares surged 28% YoY across both segments. (*See more statistics in the key operating stats table).*

Across key international territories, the CLMV market remained consistently profitable, underpinned by TAA's well-established presence and resilient regional traffic. In India, competition from local carriers remained active, while TAA continued to focus on strengthening its brand equity to better capture Indian outbound travel demand. For China, fare levels held up well at current capacity deployment. TAA also prioritised capturing inbound Chinese travellers onto its domestic network while stimulating outbound Thai travel to top Chinese destinations.

In 9M2026, the Company reported **total revenue** of Baht 32,650.2 million, a 6% decrease YoY. **Revenue from sales and services** was Baht 31,647.9 million, a slight 2% decrease YoY, as a 12% increase in the average fare to Baht 1,969 largely cushioned lower passenger volumes. **Total expenses** were Baht 34,259.2 million, up 6% YoY, primarily driven by a surge in fuel costs, higher maintenance, and unrealised foreign exchange losses, offset by controlled SG&A. As a result, **EBITDA** stood at Baht 3,349.1 million, a 23% decrease YoY. Consequently, the Company posted a **net loss** for 9M2026 of Baht (3,853.1) million, compared with a net profit of Baht 726.7 million in 9M2025. Excluding

the impact of a net FX loss of Baht (1,447.5) million, **core loss** in 9M2026 was Baht (2,695.1) million, compared to a core loss of Baht (784.8) million in the same period last year.

STATEMENT OF FINANCIAL POSITION

Asia Aviation Public Company Limited	Consolidated		
(Unit: Baht million)	As of 30 September 2026	As of 31 December 2025	Change
Total assets	**72,418.1**	**76,031.1**	**-5%**
Total current assets	16,576.2	16,332.5	+1%
Total non-current assets	55,841.9	59,698.6	-6%
Total liabilities	**62,704.4**	**62,474.8**	**+0.4%**
Total current liabilities	27,036.7	28,022.7	-4%
Total non-current liabilities	35,667.8	34,452.1	+4%
Total shareholders' equity	**9,713.6**	**13,556.3**	**-28%**

ASSETS

As of 30 September 2026, **total assets** stood at Baht 72,418.1 million, a decrease of 5% from year-end 2025.

- **Current assets** amounted to Baht 16,576.2 million, an increase of 1% from the end of 2025. Amounts due from related parties rose by 29% to Baht 11,388.9 million, while cash and cash equivalents declined by 61% to Baht 1,442.6 million, mainly due to operating losses.
- **Non-current assets** stood at Baht 55,841.9 million, down 6% from the end of 2025, mainly driven by the depreciation of right-of-use assets and a decrease in deferred tax assets to Baht 445.1 million, reflecting lower expected utilisation of tax loss carryforwards amid current industry developments.

LIABILITIES

As of 30 September 2026, the Company reported **total liabilities** of Baht 62,704.4 million, remaining relatively flat compared to the end of 2025. Excluding lease liabilities, **interest-bearing debt** stood at Baht 15,633.2 million, up 29% from year-end 2025. The average cost of funds stood at 5.6% per annum.

- **Current liabilities** were Baht 27,036.7 million, down 4% from the end of 2025, mainly due to a decrease in amounts due to related parties, unearned income, and accrued expenses, partially offset by an increase in the current portion of liabilities under lease agreements and trade payables.
- **Non-current liabilities** were Baht 35,667.8 million, up 4% from the end of 2025, primarily driven by the issuance of Baht 3,815.3 million in new debentures in June 2026, partly offset by a reduction in lease liabilities.

EQUITY

As of 30 September 2026, the Company reported **total shareholders' equity** of Baht 9,713.6 million, a 28% decrease from the end of 2025, attributed to the net loss recognised during the period.

CASH FLOW STATEMENT

Asia Aviation Public Company Limited	Consolidated	
(Unit: Baht million)	For the nine-month period ended 30 September	
	2026	2025
Net cash provided from (used in) operating activities	(55.7)	8,352.2
Net cash provided from (used in) investing activities	(429.9)	(604.8)
Net cash provided from (used in) financing activities	(1,785.0)	(5,298.3)
Net increase (decrease) in cash and cash equivalents	**(2,270.6)**	**3,099.1**
Unrealised exchange gain (loss) on cash and cash equivalents	48.8	(177.8)
Cash and cash equivalents at the beginning of the period	**3,664.4**	**2,104.6**
Cash and cash equivalents at the end of the period	**1,442.6**	**5,025.9**

In 9M2026, the Company recorded **net cash used in operating activities** of Baht (55.7) million, impacted by operational losses stemming from the jet fuel price surge. **Net cash used in investing activities** totalled Baht (429.9) million, primarily due to payments for PPE and deposits for aircraft maintenance. **Net cash used in financing activities** amounted to Baht (1,785.0) million, largely due to Baht (4,496.5) million paid for lease liabilities, Baht (1,200.0) million for the repayment of maturing debentures, as well as interest and long-term loan repayments, offset by Baht 5,315.3 million in proceeds from new debenture issuances. Overall, the Company had a **net decrease in cash and cash equivalents** of Baht (2,270.6) million, ending the period with a **cash and cash equivalents** balance of Baht 1,442.6 million.

KEY OPERATING STATISTICS

Thai AirAsia Company Limited	3Q2026	3Q2025	Change	9M2026	9M2025	Change
Passengers carried (Million)	3.36	4.73	-29%	13.57	15.13	-10%
Domestic	*2.38*	*3.18*	*-25%*	*9.50*	*10.23*	*-7%*
International	*0.99*	*1.56*	*-37%*	*4.06*	*4.90*	*-17%*
Capacity (Million seats)	4.41	5.93	-26%	16.57	18.24	-9%
Domestic	*3.04*	*3.90*	*-22%*	*11.43*	*11.95*	*-4%*
International	*1.37*	*2.03*	*-33%*	*5.14*	*6.29*	*-18%*
Load Factor (%)	76	80	-4 ppts	82	83	-1 ppt
Domestic	*78*	*82*	*-4 ppts*	*83*	*86*	*-3 ppts*
International	*72*	*76*	*-4 ppts*	*79*	*78*	*+1 ppt*
Average Fare (Baht)	2,023	1,633	+24%	1,969	1,762	+12%
Domestic	*1,590*	*1,243*	*+28%*	*1,536*	*1,517*	*+1%*
International	*3,066*	*2,430*	*+26%*	*2,980*	*2,802*	*+6%*
Revenue Passenger Kilometres (Million seat-km)	3,130	4,780	-35%	13,042	15,230	-14%
Available Seat Kilometres (Million seat-km)	4,117	6,104	-33%	15,993	18,847	-15%
Revenue per Available Seat Kilometres (Baht)	1.96	1.52	+29%	1.98	1.71	+15%
Cost per Available Seat Kilometres (Baht)	2.50	1.78	+40%	2.13	1.78	+19%
Cost per Available Seat Kilometres (ex-fuel) (Baht)	1.68	1.24	+36%	1.35	1.21	+12%
Size of the Fleet at Quarter End (Aircraft)	62	62	Flat	62	62	Flat
Average Operating Aircraft (Aircraft)	42	54	-12	48	53	-5
Aircraft Utilisation (hour/aircraft/day)	9.9	11.2	-12%	11.2	11.9	-6%
On-Time Performance (%)	90	86	+4 ppts	81	81	Flat

KEY FINANCIAL RATIOS

Asia Aviation Public Company Limited	3Q2026	3Q2025	9M2026	9M2025
Current Ratio (excluding lease liabilities)	0.8x	0.7x	0.8x	0.7x
EBITDA Margin	(5%)	4%	11%	13%
Net Profit Margin	(29%)	(9%)	(12%)	2%
Return on Assets	(3%)	(1%)	(5%)	1%
Return on Equity	(22%)	(7%)	(33%)	6%
Net Interest-Bearing Debt-to-Equity Ratio	1.5x	0.6x	1.5x	0.6x
Interest Coverage Ratio	(0.6x)	0.5x	1.7x	2.1x

DEBT REPAYMENT SCHEDULE

(Unit: Baht million)	2026	2027	2028	2029	2030
Debentures	1,500	3,500	4,488	3,478	-
Short-term Borrowings	1,750	-	-	-	-
Long-term Borrowings	91	363	324	130	98
Total	3,341	3,863	4,812	3,608	98

BUSINESS OUTLOOK

4Q2026 is displaying solid seasonal strength typical of the period. While maintaining elevated fares remains necessary to offset the high-cost operating environment, passenger demand has absorbed these price levels effectively, with TAA closing October at an 80% load factor. Jet fuel prices remain an area of uncertainty after touching USD 180 per barrel in October—a high last seen at the onset of the US–Iran conflict. However, sentiment following the latest US midterm elections suggests tensions may ease in the near term, prompting Brent crude to retreat to around USD 90 per barrel.

In response to the fuel hike, TAA plans to operate around 6 million seats in 4Q2026, down approximately 15% YoY—a slightly deeper reduction than originally scheduled. Nonetheless, we remain agile and positioned to dynamically adjust capacity to monetise peak travel demand through year-end, while ensuring minimal impact on passengers. Maintenance and overhaul expenses in 4Q2026 are expected to remain in line with 3Q2026, as we completed the redelivery of two aircraft in October with no further redeliveries scheduled for the remainder of the year, while aircraft and engine maintenance activities proceed as planned.

Supported by domestic capacity expansion exceeding 40% QoQ—anchored by the resumption of routes to BKK connecting Chiang Mai, Krabi, and Phuket—TAA is well on track to reclaim its milestone 40% domestic market share. Despite prevailing operational challenges, the airline remains committed to driving service efficiency and rigorous cost discipline. Since its August soft rollout, our SilverCare initiative—which extends dedicated privileges to travellers aged 60 and over, including priority check-in, priority baggage handling, and adjacent escort seating—has received enthusiastic feedback from passengers, paving the way for its official launch soon.

Management continues to exercise tight liquidity oversight and uphold sound governance standards. The aircraft sale-and-leaseback transaction continues to make steady progress toward completion. In parallel, TAA is actively working with partner financial institutions for additional funding support to ensure operational and business continuity.

SUSTAINABILITY CORNER

KEY SUSTAINABILITY STATISTICS

Thai AirAsia Company Limited	2026 Target	3Q2026	3Q2025	Change	9M2026	9M2025	Change
Scope 1 Flight and Ground Operations							
Fuel Usage from Flight Operations (Tonnes)		81,011	120,343	–33%	317,714	374,565	-15%
Fuel Usage from Ground Operations (Tonnes)		249	296	-16%	853	874	-2%
GHG Emissions from Flight Operations (tCO_2)		255,994	380,285	-33%	1,003,975	1,183,626	-15%
GHG Emissions from Ground Operations (tCO_2)		798	946	-16%	2,728	2,794	-2%
Carbon Intensity (gCO_2/ASK)		62.2	62.3	Flat	62.8	62.8	Flat
Scope 2 Energy Usage							
Electricity Usage (kWh)		996,543	1,043,837	-5%	3,025,540	3,125,564	-3%
GHG Emissions (tCO_2)		388	436	-11%	1,177	1,306	-10%
Others							
On-Time Performance (%)	85	90	86	+4 ppts	81	81	Flat
Net Promoter Score (NPS)	50	61	63	-2	60	58	+2

Note:

1) The numbers shown in the table above will be subject to annual verification and audit.

2) Effective 3Q2026, NPS incorporates Booking scores in addition to the original Journey scores.

In 3Q2026, Scope 1 GHG emissions from flight and ground operations decreased YoY by 33% and 16%, respectively, primarily driven by a lower volume of flight operations and reduced fuel consumption during the quarter. Consequently, for 9M2026, flight GHG emissions dropped by 15% YoY, and ground GHG emissions decreased by 2% YoY. Carbon intensity improved slightly to 62.2 gCO_2/ASK in 3Q2026 and remained flat at 62.8 gCO_2/ASK for 9M2026. Additionally, in Scope 2 energy usage, electricity-related GHG emissions decreased by 11% in 3Q2026 and by 10% in 9M2026.

Operationally, On-Time Performance (OTP) in 3Q2026 stood strong at 90%, surpassing the full-year target of 85% and highlighting TAA's continued commitment to fleet management and punctuality leadership, despite the 9M2026 average of 81%. Meanwhile, the Net Promoter Score (NPS) in 3Q2026 was 61 (down 2 YoY), while the 9M2026 average increased by 2 to 60, surpassing the 50 full-year target. Moving forward, TAA will focus on maintaining operational stability and aviation excellence, while integrating new technologies to enhance communication systems and passenger care, ensuring seamless travel experiences and driving sustained satisfaction.

3Q2026 ESG HIGHLIGHTS

- *Awarded Most Sustainable Low-Cost Airline in Asia 2026 by World Finance*

AirAsia Group was named "Most Sustainable Company in the Asian Low-Cost Airline Industry" at the World Finance Sustainability Awards 2026 (Summer 2026 issue). This award highlights AirAsia's success in integrating ESG strategies into its low-cost model, driving economic growth alongside measurable sustainability practices aligned with international standards.

- *Driving Community Sustainability: Thai AirAsia Advances "Journey D" Project in Songkhla under "Village to the World" Campaign*

Thai AirAsia advanced the "Journey D" project in partnership with the Tourism Authority of Thailand (TAT) for the second consecutive year under the "Village to the World" campaign. This year, TAA focused its operations on Songkhla Province to support community recovery following major flooding in 2025 while driving sustainable grassroots economic growth, partnering with travel influencer 'Katyslim' to promote provincial tourism and generate direct community revenue across two key locations:

- **Royal-Initiated Model Farm, Klong Hoi Khong District:** Participated in the assembly and donation of native beehive boxes to the community, supporting supplemental income generation through high-quality honey production. The project was further supported by leveraging AirAsia's media networks and promotional channels to stimulate local tourism.



- **Hua Khao Community, Singhanakhon District:** Promoted UNESCO-level creative culinary tourism through workshops for traditional "Khai Krob" (Double Yolk Salted Egg) and Kombucha fermented from native coastal Bai Khlu plants for health-conscious markets. TAA also helped promote Old Town sidecar tours and Songkhla Lake heritage experiences, while sharing knowledge on storytelling for tourism and flood safety awareness to enhance community offerings and resilience sustainably.



- **Thai AirAsia Elevates Lower-Carbon Operations with Combo Units at Don Mueang Airport**

Thai AirAsia has advanced its ground operations by piloting two GUINAULT GF15 Combo Units at Don Mueang International Airport. Integrating ground power and air conditioning into a single mobile system, it enables aircraft to turn off their fuel-burning Auxiliary Power Units during turnaround, effectively reducing Jet A-1 fuel consumption. TAA commissioned the units in July 2026, with full-scale operation in September 2026 following successful trials and staff training.



Based on preliminary assessments with a targeted daily utilisation of 5 hours per unit, or 10 hours combined for both units, the initiative is projected to yield annual cost savings of up to USD 401,317. Furthermore, under optimal operating conditions, the technology is expected to reduce ground-related CO_2 emissions by up to 90%, representing an estimated avoidance of 1,350 tonnes of CO_2 annually.

- **Thai AirAsia Earns "Phet Phanit Award" for Supporting Local Agricultural Economy**

Thai AirAsia has reinforced its commitment to sustainable grassroots economic development as Executive Chairman Mr. Tassapon Bijleveld received the "Phet Phanit Award" in the Service Business category. Organised by the Department of Internal Trade, Ministry of Commerce, the award was presented by Mrs. Suphajee Suthumpun, Deputy Prime Minister and Minister of Commerce, recognising the airline's continuous support for Thai agricultural communities.



This success stems from TAA's operational efforts in generating direct revenue for local communities through procuring seasonal agricultural produce for its in-flight catering, alongside offering complimentary checked baggage allowances for fresh fruit purchased directly from growers to effectively strengthen the agricultural value chain.

- **Thai AirAsia Achieves Gender DEI Policy Readiness Recognition for Workplace Inclusion**

On 19 August 2026, Thai AirAsia achieved the "Gender DEI Policy Readiness Recognition" under the Private Sector Non-Discrimination Culture and Policy Development Project, supported by the Department of Women's Affairs and Family Development and Nexep Health Solutions Co., Ltd. This recognition reflects TAA's readiness in drafting policies and guidelines for Diversity, Equity, and Inclusion (DEI) to drive an inclusive corporate culture sustainably.



- **Thai AirAsia Represents Airlines Association of Thailand in Advancing National SAF Policy**



Thai AirAsia, representing the Airlines Association of Thailand (AAT), met with the Department of Alternative Energy Development and Efficiency (DEDE), Ministry of Energy, on 26 August 2026 to discuss the planned establishment of a National Committee for Promoting Sustainable Aviation Fuel (SAF) Production and Usage.

TAA subsequently attended Meeting No. 1/2026 of the SAF Working Group on 3 September 2026 to share the airlines' concerns with the government. This input will help authorities review policy frameworks, establish an appropriate timeline, and set SAF adoption targets aligned with national capabilities, driving long-term aviation decarbonisation.

- **Thai AirAsia Partners with Chulalongkorn University for a Special Lecture on "Sustainability in Aviation"**



On 10 September 2026, Thai AirAsia's Sustainability Department delivered a guest lecture to undergraduate students at the Faculty of Science, Chulalongkorn University, under the "Environment and Sustainable Development" class. The session provided insights into the airline's corporate vision, real-world ESG initiatives, and operational challenges in driving environmental sustainability within the aviation sector.

This collaboration reinforces TAA's commitment to bridging corporate experience with academia, helping inspire and equip future leaders to drive long-term environmental and social sustainability.

GLOSSARY

Load factor: The number of passengers carried as a proportion of capacity, which is the number of seats available for passengers

Available seat kilometres (ASK): Total number of seats available on all flights multiplied by the number of kilometres these seats were flown

Revenue passenger kilometres (RPK): The number of paying passengers carried on all flights multiplied by the number of kilometres those seats were flown

Average fare: Thai AirAsia's total passenger revenues and fuel surcharge divided by total number of passengers carried

Revenue per ASK (RASK): Thai AirAsia's revenues divided by ASK

Cost per ASK (CASK): The sum of Thai AirAsia's operating costs, selling expenses and administrative expenses divided by ASK

Cost per ASK (CASK ex-fuel): The sum of Thai AirAsia's operating costs, selling expenses and administrative expenses less fuel costs divided by ASK

Average stage length (kilometres): The average number of kilometres flown per flight

Aircraft utilisation: The average block hours per day per aircraft during the relevant period. Block hours are calculated by measuring the duration between an aircraft's departure time and arrival at its destination.

Debt-to-equity ratio (D/E): Total interest-bearing debt divided by total equity

Net interest-bearing debt-to-equity ratio: Total interest-bearing debt (excluding lease liabilities) less cash and cash equivalents divided by total equity

Interest coverage ratio: EBITDA divided by finance costs

Gross profit margin: Revenues from sales and services less cost of sales and services divided by revenues from sales and services.

The earnings before interest and tax, depreciation, and amortisation (EBITDA) margin: Total income (excluding dividend income, gain on sale of investments, gain on sale of assets, finance income, gain on exchange rate, and gain on derivative) less total expenses plus depreciation and amortisation expenses divided by revenues from sales and services

Net profit margin: Profit for the period divided by revenues from sales and services

Core profit/loss: Net profit/loss adjusted with FX gain/loss

Return on assets: Calculated as profit for the period divided by average of total assets

Return on equity: Calculated as profit for the period divided by the average of shareholders' equity

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