

Management's Discussion and Analysis for three months ended March 31, 2022 for Thai Airways International Public Company Limited ("THAI") and Its Subsidiaries

1. Executive summary

In the first quarter of 2022, the global economy was convalescing while some countries had begun to adjust to coexistence with COVID-19; however, many others were still facing a new wave of COVID-19 that had triggered the rising number of infected people as well as the conflict between Russia and Ukraine by the end of February 2022 resulting the increasing oil and consumer goods prices. Such cost-push inflation could bring more severe supply disruption since both countries were the world's largest exporters of agricultural products.

As for the world aviation industry during the first quarter of 2022, many countries eased their restrictions on international travelers and prepare to open countries making the improvement in air travel. Unfortunately, at the end of February, there was a conflict between Russia and Ukraine resulting the decrease in demand tendency for international passenger while airlines encountered additional challenge from higher oil prices. According to the Asia-Pacific Airlines Association (AAPA) report, in the first quarter of 2022, the number of international passengers increased by 164.2% compared to the previous year. The passenger traffic (RPK) and passenger production (ASK) increase by 165.4% and 58.2%, respectively from the previous year. Cabin Factor increased from 27.3% of last year to 45.8% this year, while freight demand was on the rise. Revenue Freight Ton-Kilometers (RFTK) increased by 1.4%. Available Dead Load Kilometer (ADTK) increased by 6.6%. The Freight Load Factor decreased slightly by 69.4 %, compared to the 73.0% of last year.

As for the Thai economy in the first quarter of 2022, the pandemic situation of the Omicron strain of COVID-19 caused the increased number of new infections while the number of severe cases and deaths remained stable as well as none of a new wave of virus outbreaks and weighty severe mutations reporting. Simultaneously, the distribution of vaccines and the immunization injection continued to covers a proportion of the country's population. The Bank of Thailand's (BOT) Monetary Policy Committee meeting in January 2022 reported that the Thai economy was likely to recover continuously. However, there is still some vulnerability from the accelerate cost push inflation in the first period of 2022 due to higher prices of energy and some produce coupled with the conflict between Russia and Ukraine resulting higher production costs while the tourism sector began to present good recovery signs since the end of last year because Thailand had a policy to open the country to tourists through the Test & Go program to stimulate tourism. However, from the COVID-19 pandemic continued to have a high number of infected people. On March 23, 2022, the Government had the resolution to prolong the Royal Decree on Public Administration in Emergency Situations until May 31, 2022 and temporarily negated the registration of entry into the country of Foreign tourists through the Test & Go system from December 21, 2021 to January 31, 2022 and reopened again on February 1, 2022 when the situation began to stabilize. Furthermore, the conflict between Russia and Ukraine in late February and the travel control measure of China directly affected Thai aviation industry since Chinese and Russian tourists were the main tourists to Thailand. According to the number of tourists from the Ministry of Tourism and Sports in the first quarter of 2022, there were 497,693 people increased from last year but still much lower than before the outbreak.

In the first quarter of 2022, THAI has resumed its normal operation and provided a full service on international routes aimed to support opprning the country on November 1, 2021 by resuming 36 destinations covering Asia, Europe, and Australia. To support the Phuket Sandbox project. THAI operated destinations from Phuket to London, Frankfurt, Munich, Paris, Copenhagen, Stockholm, and Zurich. THAI increased cargo flights to meet the growing demand while providing freight services along with passenger flights on 30 routes and continues to provide freight services throughout the period when THAI is unable to operate its normal flights. Moreover, THAI offers freight charter service under the customer's demands according to the destination of THAI and its schedule and

appropriate aircraft to the cargo size. In March 2022, THAI starts its flights to India under the Air Travel Bubble agreement to stimulate the economy and tourism by government's resolution to approve the Air Travel Bubble agreement between Thailand and India and allow Thai Smile Airways Company Limited (“Thai Smile”), a subsidiary and a domestic airline, activates its international flights in order to connect flights with THAI seamlessly, however, THAI has regularly monitored the situation and assessed the impact on the business to change both increasing or reducing the number of flights to meet the demand of both passengers and freight with the safety and confidence of passengers are priority.

In the first quarter of 2022, THAI and its subsidiaries increased production traffic (ASK) by 179.8 % while passenger traffic (RPK) increased by 426.1%. The average Cabin Factor was 32.5% higher than 17.3% of last year. The numbers of passengers carried totaled 1.02 million, 142.9% increase from the previous year. The cargo production (ADTK) was 207.8 % higher than last year while freight traffic (RFTK) was 128.3% higher than the previous year. Freight load factor was 82.2 % lower than the previous year at an average of 110.8%.

THAI and its subsidiaries reported their operating result (Excluded the one-time items) of this quarter comprised of total revenue of THB 11,181 million, higher than last year's by THB 6,797 million (155%), mainly due to an increase in these revenues: passenger and cargo revenue by THB 6,719 million (255.7%) and other services revenue by THB 103 million (8.3%). These results derived from resuming its regular flights on international routes covering Asia, Europe, and Australia to meet passenger demand. The total operating expenses was THB 14,348 million which was higher than the previous year by THB 2,967 million (26.1%) due to higher variable operating expenses as well as higher fuel price than last year caused by higher production and traffic while personnel expenses reduced following the rehabilitation plan. In addition, other operating expense decreased continually from the efficient cost controlling program. As a result, the loss from operations before financial costs excluded one-time items was THB 3,167 million but the loss decreased from the previous year by THB 3,830 million (54.7%). In addition, there was financial costs of THB 2,192 million, a decrease of THB 1,619 million (42.5%) from the previous year.

In this quarter, THAI and its subsidiaries reported net one-time revenue totaled THB 2,042 million mainly due to gain on debt restructuring, organization restructure with employee benefit welfare, gain on sales of investment and assets, and gain on foreign currency exchange.

THAI and its subsidiaries reported net loss of THB 3,243 million a decrease of THB 8,962 million from last year. Loss attributable to owners of the parent amounted to THB 3,247 million. Loss per share was THB 1.49 compared to last year's loss per share was THB 5.59, EBITDA was THB -354 million decreased by THB 156 million from last year with an EBITDA Margin equal -3.2% compared with the previous year was -11.6 %.

2. Summary of Operating Results for Thai Airways International PCL. and its subsidiaries

The consolidated financial statements for the first quarter of 2022 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., 4) THAI Flight Training Co., Ltd., and 5) Tour Eurng Luang Co., Ltd.

Financial Performance: THAI and its subsidiaries

	Jan - Mar			
	2022	2021	Variance	
			MTHB	%
Total operating revenues	11,181	4,384	+6,797	+155.0
- Passenger and excess baggage revenue	4,476	968	+3,508	+362.4
- Freight and mail revenue	5,220	2,009	+3,211	+159.8
- Revenue from other activities	1,339	1,236	+103	+8.3
- Other income	146	171	-25	-14.6
Total operating expenses	14,348	11,381	+2,967	+26.1
- Fuel and oil	4,247	873	+3,374	+386.5
- Non-fuel operating expenses	10,101	10,508	-407	-3.9
Operating loss before finance cost exclude the one-time items	(3,167)	(6,997)	+3,830	+54.7
Finance cost	2,192	3,811	-1,619	-42.5
Operating loss exclude the one-time items	(5,359)	(10,808)	+5,449	+50.4
Gain from debt restructuring	1,512	-	+1,512	-
Gain (Loss) on foreign currency exchange	1,344	(3,698)	+5,042	+136.3
Mutual Separation Plan (MSP)	358	127	+231	+181.9
Gain from sale of asset	292	170	+122	+71.8
Gain from sale of investment	3	2,004	-2,001	-99.9
Mileage accumulation adjustment	(628)	-	-628	-
Items adjustment related to the right of use in aircraft	(656)	-	-656	-
Severance Pay	(103)	(4)	-99	-
Impairment loss in accordance with TFRS 9	(68)	204	-272	-133.3
Share of losses of associates using the equity method	(12)	(30)	+18	+60.0
Impairment loss on aircraft, right-of-use assets and rotatable aircraft's spare parts	-	(4)	+4	+100.0
Loss before tax	(3,317)	(12,039)	+8,722	+72.4
Net Loss	(3,243)	(12,205)	+8,962	+73.4
Loss attribute to owners of the parent	(3,247)	(12,203)	+8,956	+73.4
Net Loss per share (THB)	(1.49)	(5.59)	+4.10	+73.3
Significant operating data				
EBITDA (MTHB)	(354)	(510)	+156	+30.6
Number of passengers (Million)	1.02	0.42	+0.60	+142.9
Available Seat-Kilometers (Million)	6,007	2,147	+3,860	+179.8
Revenue Passenger-Kilometers (Million)	1,952	371	+1,581	+426.1
Cabin factor (%)	32.5	17.3		+15.2
Passenger yield (THB/RPK)	2.25	2.53	-0.28	-11.1
Available Dead Load Ton-Kilometers (Million)	314	102	+212	+207.8
Revenue Freight Ton-Kilometers (Million)	258	113	+145	+128.3
Freight load factor (%)	82.2	110.8		-28.6
Freight carried (Ton)	64,022	26,818	+37,204	+138.7
Freight Yield (THB/RFTK)	19.57	17.09	+2.48	+14.5
Number of aircraft (As of Mar 31) (Aircraft)	87	103	-16	-15.5
Flight hours (Hours)	30,526	12,492	+18,034	+144.4
Aircraft utilization (Hours/Aircraft/Day)	7.5	6.2	+1.3	+21.0
Average foreign currency exchange rate				
1 USD : THB	33.0529	30.2570	+2.7959	+9.2
1 EUR : THB	37.0950	36.4770	+0.6180	+1.7
100 JPY : THB	28.4744	28.6004	-0.1260	-0.4
Average jet fuel price (USD/BBL)	106.63	64.99	+41.64	+64.1

Note: EBITDA = Total Revenue (exclude gain on foreign exchange, gain from debt restructuring and mileage accumulation adjustment) - Expenses (exclude finance cost, tax, depreciation and amortization, adjust employee benefit, impairment loss on aircraft, and rotatable aircraft's spare parts, impairment loss in accordance with TFRS 9, items adjustment related to the right of use in aircraft and loss on foreign currency exchange)

Summary of the operating results of THAI and its subsidiaries

Revenues

The total revenue (Excluded the one-time items) was THB 11,181 million, an increase of THB 6,797 million (155%). Details are as follows:

- **Passenger and excess baggage revenue**

Passenger and excess baggage revenue amounted to THB 4,476 million, an increase of THB 3,508 million (362.4%) as a result of

- Passenger traffic (RPK) increased by 426.1%, amounting to approximately THB 4,000 million compared to the previous year when THAI was still unable to operate normally. Production traffic (ASK) increased by 179.8% while the average cabin factor was 32.5%, higher than the previous year's average 17.3%, but still below the 68.8% of industry average.

- Average passenger yield (Included fuel and insurance surcharges) decreased by 0.28 THB/RPK (11.1%) or approximately THB 547 million.

- **Freight and mail revenue**

Freight and mail revenue amounted to THB 5,220 million, an increase of THB 3,211 million (159.8%) resulting of an increase in Revenue Freight Ton-Kilometers (RFTK) 128.3%, or approximately THB 2,478 million and an average freight yield (Included fuel and insurance surcharges) was 19.57 THB/RFTK, an increase of THB 2.48 (14.5%) or approximately THB 640 million. An average freight load factor was 82.2%, lower than the previous year's average of 110.8% but higher than the industry average at 54.5%.

- **Other revenues from other activities**

Other revenues from other activities consisted of revenues from business units which included Ground services, Catering, Cargo handling services, and other supporting activities totaled THB 1,339 million, an increase of THB 103 million (8.3%) over last year mainly due to an increase in the number of customer airlines.

Expenses

Total expenses (excluded the one-time items) of the first quarter 2022 amounted to THB 14,348 million, an increase of THB 2,967 million (26.1%). A summary of the operating expenses was as follows:

- **Fuel and oil expenses**, amount of THB 4,247 million or represented 29.6% of total expenses, an increase of THB 3,374 million (386.5%) due to the increased number of flights affecting the fuel consumption to be higher than the previous year. However, the average oil price was 64.1% higher than the previous year as well as the depreciation of the baht against the US dollar caused expenses escalation when calculating in Baht term.

- **Non-fuel operating expenses** totaled THB 10,101 million, an decrease of THB 407 million (3.9%), details as follows:

Unit: Million Baht	Jan - Mar			
	2022	2021	Variance	
			MTHB	%
Expense				
Employee benefit expenses	2,024	3,042	-1,018	-33.5
Flight service expenses	1,361	416	+945	+227.2
Crew expenses	370	105	+265	+252.4
Aircraft maintenance and overhaul costs	1,850	1,221	+629	+51.5
Depreciation and amortization expenses	2,275	4,220	-1,945	-46.1
Lease of aircraft and spare parts	552	223	+329	+147.5
Inventories and supplies	319	131	+188	+143.5
Selling and advertising expenses	481	189	+292	+154.5
Other expenses	869	961	-92	-9.6
Non-fuel Operating Expense	10,101	10,508	-407	-3.9

Summary of expenses that have changed significantly are as follows:

- Variable cost which consisted of flight service expenses, crew expenses, aircraft maintenance and overhaul cost, inventories and supplies and selling and advertising expenses totaled THB 4,381 million, THB 2,319 million (112.5%) higher than the previous year which did not operate normally.

- Fixed cost comprised of Employee benefit expenses, depreciation, and amortization expenses, lease of aircraft and spare parts, and other expenses totaled THB 5,720 million, THB 2,726 million (32.3%) lower than last year. Details are as follows:

- Employee benefit expenses (Excluded compensation reserves for employees participating in Mutual Separation Program, the termination compensation) were THB 2,024 million, decreased by THB 1,018 million (33.5%) due to a decrease in the number of full-time employees and outsource employees, as well as the layoffs of both domestic and foreign employees from operations in relation to the business rehabilitation plan: Mutual Separate Plan (MSP) project, which reduced the number of employees including welfare modification.

- Depreciation and amortization amounted to THB 2,275 million, a decrease of THB 1,945 million (46.1%) mainly due to the adjustment in right of use according to the change in the aircraft lease contract according to the business rehabilitation plan. After the Central Bankruptcy Court has issued an order approving the resolution of the meeting of creditors on May 19, 2021.

- Lease of aircraft and spare parts amounted to THB 552 million, increased by THB 329 million mainly due to the Power by the Hour according to THAI had entered the Letter of Intent (LOI) with lessor of operating lease aircraft and financial lease aircraft which stipulates the payment of rent calculated from the actual use of aircraft (Power by the Hour).

- **Finance cost** amounted to THB 2,192 million, a decrease of THB 1,619 million (42.5%) mainly due to The Central Bankruptcy Court's order approving the business rehabilitation plan of THAI. According to the resolution of the creditors' meeting on May 19, 2021. Hence, interest expense is recognized by market rate or original effective interest rate case by case while the previous year recorded with the default rate. (Also see Note to the financial statements No. 4.3.1)

Gain on debt restructuring amounted to THB 1,512 million, comprising of the adjustment of liabilities in accordance with the order from the Receiver, derecognition of financial liabilities measured at amortized cost, adjust both assets and liabilities in accordance with the amendment of the aircraft lease agreement and gain on onerous contracts termination. (Also see Note to the financial statements No. 4.3)

Mutual Separation Plan (“MSP”) THAI adjusted employee tax of THB 358 million of MSP A, B, C and D projects according to actual payment.

Gain on sales of assets amounted to THB 292 million from sale of land and building comprised of Building at Udon Thani office of THB 9 million, Ruk Khun Tao Fah of THB 55 million, Khon Kean office of THB 3 million, sale of spare engines: CF6-80C2B1F and CFM56-3C1 of THB 167 million, sale of B747-400 flight simulator of THB 42 million, and sale of other assets.

Gain on sale of investment amounted to THB 3 million from sale of shares of Bangkok Aviation Fuel Services Public Company Limited (“BAFS”) during February 10 – 17, 2022. THAI sold around 1.27 million more shares.

Mileage accumulation adjustment amounted to THB 628 million from the increase in Mileage accumulation.

Items adjustment related to the right of use in aircraft stipulated in the letter of agreement or new lease agreement, amounted to THB 656 million.

The termination compensation amounted to THB 103 million, the severance pay for foreign employees after entering the rehabilitation process. THAI had to improve every aspect to manage costs, increase competitiveness as well as cash flow under the rehabilitation plan.

The result of the measurement of financial instruments from the adoption of TFRS No.9, amounting to THB 68 million.

Gain on foreign currency exchange was THB 1,344 million consisted of THB 100 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 US Dollar when compared to December 31, 2021, and realized FX gain of THB 1,444 million.

- **Share of loss of associates using the equity method** amounted to THB 12 million, lower than the previous year by THB 18 million (60%) because THAI reduced the shareholding in BAFS causing the reduction of shares and reclassification from investment in associate to other long-term investment resulting unrecognition loss from them. This quarter, the COVID situation caused all associates reported loss. Details as follow:

- Bangkok Aviation Fuel Services PCL’s loss of THB 0 million, while last year’s loss THB 14 million
- Phuket Air Catering Ltd.’s loss of THB 3 million, a decrease of THB 1 million,
- Suvarnabhumi Airport Hotel Ltd.’s loss of THB 4 million , an increase of THB 1 million, and
- Don Mueang International Airport Hotel Ltd.’s loss of THB 5 million, a decrease of THB 4 million.

EBITDA for the first quarter of 2022 amounted to THB -354 million, decreased by THB 156 million. EBITDA Margin -3.2% compared with the previous year was -11.6%.

3. Financial Position and Liquidity

Capital Expenditures

Unit: Million Baht	Jan – Mar	
	2022	2021
Aircraft and aircraft spare parts	29	66
Non-Aircraft	2	(10)
Total	31	56

This quarter, THAI and its subsidiaries reported capital expenditures amount of THB 31 million, a decrease of THB 25 million from last year. The foremost investment expenses were mainly from procurements of rotatable aircraft spare part.

Liquidity

As of March 31, 2022, THAI and its subsidiaries there were cash and cash equivalents of THB 6,017 million, accounting for 3.7% of total assets, an increase from 31 December 2021 of THB 502 million.

Summary of cash from and used in each activity are as follows:

Unit : Million Baht	Jan – Mar	
	2022	2021
Net cash from (used in) operating activities	(350)	(2,391)
Net cash from (used in) investing activities	1,056	2,935
Net cash from (used in) financing activities	(168)	(3)
Effect of exchange rate changes on cash and cash equivalents	(35)	94
Effect of changes in credit loss on cash and cash equivalents	(1)	1
Increase in cash and cash equivalents	502	636

In the first quarter of 2022, THAI and its subsidiaries had net cash used in operating activities of THB 350 million, THB 2,041 million lower than last year. The net cash used in financing activities amounted to THB 168 million higher than last year by THB 165 million mainly from the liabilities under the lease agreement repayment. Besides, ThaiSmile signed the financial support agreement with the Export-Import Bank of Thailand in the form of special loan to maintain employment conditions of THB 50 million and withdrew by THB 42 million in this quarter. Net cash used in financing activities was THB 1,056 million, THB 1,879 million lower than last year because cash received from the sale of assets and investments was lower than the previous year. As a result, cash and cash equivalents as of March 31, 2022 amounted to THB 6,017 million, increased by 502 million from cash and cash equivalents as of December 31, 2021, which amounted to THB 5,515 million.

Fleet

As of March 31, 2022, THAI and its subsidiaries reported total 60 active aircraft (including 20 Airbus A320-200 under the operation of Thai Smile). Moreover, THAI received new 2 Boeing B777-300ER operating lease aircraft under procurement project since 2018. Moreover, there were 27 long-term parking aircraft and 26 decommission aircraft which were on selling process and considering the buyers.

Assets of THAI and its subsidiaries

As of March 31, 2022, total assets totaled THB 162,423 million, an increase of THB 1,204 million (0.7%) from December 31, 2021.

	Consolidated					
	Mar 31, 2022		Dec 31, 2021		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	6,017	3.7	5,515	3.4	+502	+9.1
Non-current assets held for sale	3,769	2.3	4,321	2.7	-552	-12.8
Other current assets	18,490	11.4	14,959	9.3	+3,531	+23.6
Current Assets	28,276	17.4	24,795	15.4	+3,481	+14.0
Property, plant and equipment-net	33,631	20.7	34,493	21.4	-862	-2.5
Right-of-use Assets	68,457	42.2	69,652	43.2	-1,195	-1.7
Other non-current assets	32,059	19.7	32,279	20.0	-220	-0.7
Total Assets	162,423	100.0	161,219	100.0	+1,204	+0.7

Current assets were THB 28,276 million or represented 17.4% of total assets, an increase of THB 3,481 million (14%) from as of December 31, 2021. The significant items consisted of

- Cash and cash equivalent increased by THB 502 million (9.1%) mainly from cash received from the sale of assets and investments totaling approximately THB 880 million.

- Non-current assets held for sale decreased by THB 552 million (12.8%), mainly due to the transfer of ownership of aircraft, engines and some land and buildings to the buyer. (Also see Notes to the financial statements No. 8)

- Other current assets increased by THB 3,531 million (23.6%) mainly due to an increase in trade and other current receivables of THB 3,396 million (33.9%) from increased sale together with the increase in prepaid expenses mainly from fuel.

- Property, Plant and Equipment-net amounted to THB 33,631 million or 20.7% of total assets, a decrease from December 31, 2021 by THB 862 million (2.5%), mainly due to the depreciation estimate. (Also see Notes to the financial statements No.10)

- Right-of-use assets amounted to THB 68,457 million or 42.2% of total assets which consists of assets under finance lease agreements and obligations under the aircraft operating lease agreement and other fixed asset operating leases decreased from December 31, 2021, amounting to THB 1,195 million (1.7 %), mainly due to the adjustment in right-of-use assets in accordance with the rental terms and the lease term as stipulated in the letter of agreement or the new lease agreement of each lease agreement with the additional aircraft lessor and return of 2 aircraft under financial lease aircraft including depreciation of assets. Moreover, there were 2 new delivered operating aircraft. (Also see Notes to the financial statements No. 11)

Return on Asset of the first quarter of 2022 was -2.0% while last year's -5.9%

Liabilities of THAI and its subsidiaries

Total liabilities as of March 31, 2022 were THB 236,909 million an increase of THB 4,439 million (1.9%) from December 31, 2021. These comprised of:

	Consolidated					
	Mar 31, 2022		Dec 31, 2021		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	48,294	20.4	46,742	20.1	+1,552	+3.3
Current portion of long-term liabilities	3,259	1.4	606	0.3	+2,653	+437.8
Long-term liabilities	140,079	59.1	139,269	59.9	+810	+0.6
Other non-current liabilities	45,277	19.1	45,853	19.7	-576	-1.3
Total Liability	236,909	100.0	232,470	100.0	+4,439	+1.9

Current liabilities which accounted for 20.4% of the total liabilities amounted to THB 48,294 million, an increase of THB 1,552 million (3.3%) from December 31, 2021, mainly due to an increase in unearned revenue from increasing sale volume.

Long-term liabilities (Included the current portion of long-term liabilities) represented 60.5% of total liabilities, an increase of THB 3,463 million (2.5%) resulting from mainly due to an increase in lease liabilities from the delivery of 2 new leased aircraft. (Also see Notes to the financial statements no. 5.2, 6.3, 14.1, 14.2, 15)

Other non-current liabilities accounted for 19.1% of total liabilities, a decrease of THB 576 million (1.3%). The main reason was there were decrease in trade payables and other non-current payables by THB 1,580 million while the provision for non-current liabilities increased by THB 1,045 million from the estimated cost of overhaul aircraft, engines, and other components in the future under the contract obligations under the operating lease aircraft.

As of March 31, 2022, the Interest Bearing Debt to equity was -1.92 times, compare to as of December 31, 2021, at -1.96 times and total debt to equity ratio of -4.45 times compared to -9.06 times of last year.

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

As of March 31, 2022, the shareholders' equity of THAI and its subsidiaries amounted to THB -74,486 million, more loss from December 31, 2021, amounting to THB 3,235 million, mainly due to operations loss of THAI and its subsidiaries.

Contingent Liabilities

As of March 31, 2022, 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 under the meeting resolution of the Plan Administrator to terminate these onerous contracts which had been negotiated under the rehabilitation plan. Also, THAI also had an obligated payment for an operating lease agreement with 10 year-term aircraft which taken delivery on April 18, 2022. (Also see Notes to the financial statements No. 24)

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

In the first quarter of 2022, THAI had total revenue (excluded the one-time items) of THB 10,202 million, an increase of THB 6,166 million (152.8%) from last year, mainly due to an increase in revenue from passenger and cargo transportation, totaling THB 6,086 million (252%) resulting from higher production and traffic from the resume of regular flights while last year THAI had to temporary suspended its flights. In addition revenue from other activities increased by THB 74 million (4.9%) due to an increase in the number of customer airlines. Total expenses (Excluded the one-time items) were THB 12,461 million, higher than last year by THB 2,340 million (23.1%) caused by production and traffic. However, the reduction in employee benefit expenses and other operating expenses with harsh cost control resulted in operating loss before financial costs (Excluded one-time items), THB 2,259 million, a decrease of THB 3,826 million from the previous year (62.9%).

In addition, in this quarter, THAI had a net one-time revenue of THB 2,463 million mainly from the gain on debt restructure, organization restructure with mutual separation programs, gain on sales of investment and assets, and gain on foreign currency exchange.

THAI had a net loss of THB 1,624 million compared to last year, less loss of THB 9,335 million, representing a loss per share of 0.74 baht while last year's loss of 5.02 baht per share. EBITDA was THB 345 million, lower than last year's by THB 402 million, with EBITDA Margin of 3.4 % compared to the previous year which was 18.5%.

Financial Performance: THAI

	Jan - Mar			
	2022	2021	Variance	
			MTHB	%
Total operating revenues	10,202	4,036	+6,166	+152.8
- Passenger and excess baggage revenue	3,295	404	+2,891	+715.6
- Freight and mail revenue	5,206	2,011	+3,195	+158.9
- Revenue from other activities	1,571	1,497	+74	+4.9
- Other income	130	124	+6	+4.8
Total operating expenses	12,461	10,121	+2,340	+23.1
- Fuel and oil	3,714	707	+3,007	+425.3
- Non-fuel operating expenses	8,747	9,414	-667	-7.1
Operating loss before finance cost exclude the one-time items	(2,259)	(6,085)	+3,826	+62.9
Finance cost	1,906	3,764	-1,858	-49.4
Operating loss exclude the one-time items	(4,165)	(9,849)	+5,684	+57.7
Gain from debt restructuring	1,512	-	+1,512	-
Gain (Loss) on foreign currency exchange	1,234	(3,454)	+4,688	+135.7
Mutual Separation Plan (MSP)	358	127	+231	+181.9
Gain from sale of asset	292	170	+122	+71.8
Gain from sale of investment	3	2,633	-2,630	-99.9
Mileage accumulation adjustment	(628)	-	-628	-
Impairment loss in accordance with TFRS 9	(205)	(413)	+208	+50.4
Severance Pay	(103)	(4)	-99	-
Impairment loss on aircraft and rotatable aircraft's spare parts	-	(4)	+4	+100.0
Loss before tax	(1,702)	(10,794)	+9,092	+84.2
Net Loss	(1,624)	(10,959)	+9,335	+85.2
Net Loss per share (THB)	(0.74)	(5.02)	+4.28	+85.3

		Jan - Mar			
		2022	2021	Variance	
				MTHB	%
Significant operating data					
EBITDA	(MTHB)	345	747	-402	-53.8
Number of passengers	(Million)	0.23	0.02	+0.21	-
Available Seat-Kilometers	(Million)	5,294	1,759	+3,535	+201.0
Revenue Passenger-Kilometers	(Million)	1,468	133	+1,335	-
Cabin factor	(%)	27.7	7.5		+20.2
Passenger yield	(THB/RPK)	2.20	2.84	-0.64	-22.5
Available Dead Load Ton-Kilometers	(Million)	314	102	+212	+207.8
Revenue Freight Ton-Kilometers	(Million)	258	113	+145	+128.3
Freight load factor	(%)	82.2	110.8		-28.6
Freight carried	(Ton)	55,645	25,583	+30,062	+117.5
Freight Yield	(THB/RFTK)	19.51	17.11	+2.40	+14.0
Number of aircraft (As of Mar 31)	(Aircraft)	67	83	-16	-19.3
Flight hours	(Hours)	21,578	7,609	+13,969	+183.6
Aircraft utilization	(Hours/Aircraft/Day)	7.7	6.4	+1.3	+20.3
Average foreign currency exchange rate					
1 USD : THB		33.0529	30.2570	+2.7959	+9.2
1 EUR : THB		37.0950	36.4770	+0.6180	+1.7
100 JPY : THB		28.4744	28.6004	-0.1260	-0.4
Average jet fuel price	(USD/BBL)	106.63	64.99	+41.64	+64.1

Note: EBITDA = Total Revenue (exclude gain on foreign exchange, gain from debt restructuring and mileage accumulation adjustment) - Expenses (exclude finance cost, tax, depreciation and amortization, adjust employee benefit, impairment loss on aircraft and rotatable aircraft's spare parts, impairment loss in accordance with TFRS 9 and loss on foreign currency exchange)

Assets of Thai Airways International PCL.

As of March 31, 2022, total assets totaled THB 164,692 million, an increase of THB 2,033 million (1.2%) from December 31, 2021.

	Separate Financial Statement					
	Mar 31, 2022		Dec 31, 2021		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	5,757	3.5	5,122	3.1	+635	+12.4
Non-current assets held for sale	3,769	2.3	4,321	2.7	-552	-12.8
Other current assets	21,330	12.9	17,456	10.7	+3,874	+22.2
Current Assets	30,856	18.7	26,899	16.5	+3,957	+14.7
Property, plant and equipment-net	33,577	20.4	34,443	21.2	-866	-2.5
Right-of-use Assets	61,776	37.5	62,326	38.3	-550	-0.9
Other non-current assets	38,483	23.4	38,991	24.0	-508	-1.3
Total Assets	164,692	100.0	162,659	100.0	+2,033	+1.2

- Current assets increased by THB 3,957 million (14.7%) mainly due to an increase in cash and cash equivalents increased by THB 635 million. Trade and other current receivables as well as prepaid expenses increased while non-current assets held for sale decreased by THB 552 million due to the transfer of ownership of aircraft, engines and some land and buildings to the buyer. (Also see Notes to the financial statements No. 8)

- Property, Plant and Equipment-net decreased by THB 866 million (2.5%) mainly because of the depreciation estimate.

- Right of use asset consists of assets under finance lease and operating lease aircraft and other fixed assets decreased THB 550 million resulting from the right-of-use of assets re-measurement under the new conditions in the letter of intent (LOI) with each lessor and return of 2 aircraft under financial lease aircraft including depreciation of assets. However, there were 2 new delivered operating aircraft. (Also see Notes to the financial statements No. 11)

Liabilities of Thai Airways International PCL.

Total liabilities as of March 31, 2022 were THB 232,974 million an increase of THB 3,657 million (1.6%) from December 31, 2021. These comprised of:

	Separate Financial Statement					
	Mar 31, 2022		Dec 31, 2021		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	46,848	20.1	45,680	19.9	+1,168	+2.6
Current portion of long-term liabilities	3,251	1.4	594	0.3	+2,657	+447.3
Long-term liabilities	140,078	60.1	139,267	60.7	+811	+0.6
Other non-current liabilities	42,797	18.4	43,776	19.1	-979	-2.2
Total Liabilities	232,974	100.0	229,317	100.0	+3,657	+1.6

- Current liabilities increased by THB 1,168 million (2.6%), mainly due to an increase in unearned revenue from increasing sale volume.

- Long-term liabilities, (Included the portion of long-term liabilities) increased by THB 3,468 million (2.5%) because of the new 2 delivered lease aircraft. (Also see Note to the financial statements No. 5.2, 6.3, 14.1, 14.2, 15)

Shareholders' Equity of Thai Airways International PCL.

As of March 31, 2022, THAI had shareholders' equity of THB -68,282 million, a negative increase from December 31, 2021 by THB 1,624 million, mainly due to the operations loss in this quarter.

4. Outlook

The world economy in early 2022 is still unable to recover as it should due to the risk of facing a new wave of COVID-19 outbreak while some countries still have to take control measures and travel restrictions. In addition, the world is also affected by the conflict between Russia and Ukraine. This has a jeopardy to prolong and may become a new struggle for the global economic recovery in the future. According to report from the International Air Transport Association (IATA), the recovery of air travel is under pressure from the Russia-Ukraine conflict which causes higher jet fuel prices resulting the lower number of tourists which is expected to recover in 2024, while the Asia-Pacific area will recover more slowly than other major territories which will expect to recover in 2025 or in

the next 3 years due to China's Zero-COVID policy. In addition, for the tourism sector in many Asian countries activate their opening country policies to receive tourists considered as positive factor and a significant ingredient to stimulate the economy. Thailand, will also relax measures for inbound tourist by canceling the Test & Go program, effective from May 1, 2022 onwards, similar to others such as Singapore and South Korea with plans to open the country for tourists who have received complete vaccines doses with no quarantine from April 1, 2022 onwards.

THAI implements a plan to drive the business according to the rehabilitation plan. The main resolution of the plan not only to build confidence for passengers to feel safe throughout the journey but continuously supports the government's policy of accepting tourists as well. THAI also launches a summer schedule of 34 passenger flights on 34 routes to meet the increasing travel demand. In the second quarter, THAI plans to activate 3 new Boeing 777-300ER aircraft in service to increase its fleet capacity and the growing demand.

5. Financial Ratios

		Jan - Mar			
		Consolidated		The Company	
		2022	2021	2022	2021
Liquidity Ratio					
Current Ratio	(times)	0.80	0.07	0.91	0.08
Profitability Ratio					
Operating Profit (Loss) Margin	%	(47.94)	(246.54)	(40.83)	(243.98)
Net Profit (Loss) Margin	%	(29.01)	(278.42)	(15.92)	(271.52)
Return on Equity	%	(4.45)	(9.06)	(2.41)	(8.26)
Efficiency Ratio					
Return on Total Assets	%	(2.00)	(5.89)	(0.99)	(5.27)
Financial Policy Ratio					
Interest Bearing Debt to Equity	(times)	(1.92)	(1.66)	(2.10)	(1.69)
Total Debt to Equity	(times)	(3.18)	(2.45)	(3.41)	(2.49)
Interest Coverage Ratio	(times)	(0.16)	(0.13)	0.18	0.20
Net Debt to EBITDA	(times)	(652.30)	(660.02)	659.68	449.23
Debt Service Coverage Ratio	(times)	0.07	(0.07)	0.33	0.23

GLOSSARY

Current Ratio = Current Assets (Excluding Non-Current Assets held for sale / Current Liabilities (Excluding Unearned Transportation Revenues)

Operating Profit (loss) Margin = Operating Profit (loss) / Total Revenue (excluded gain on foreign currency exchange, gain on change in ownership interest, profit from debt restructuring and mileage accumulation adjustment)

Net Profit (Loss) Margin = Net Profit (Loss) / Total Revenue (excluded gain on foreign currency exchange, gain on change in ownership interest, profit from debt restructuring and mileage accumulation adjustment)

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 Party 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, 2022 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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
Ministry of Finance (MOF)	MOF is the major shareholder of THAI with 47.86% shares.	1. International loans take through the MOF consist of: - Outstanding loans - Outstanding loans under the rehabilitation plan - Interest expenses - Accrued interests - Deferred interests	6,130.97 0.00 0.00 162.16	6,082.08 0.00 0.00 351.95	12,496.88 1,158.94 1,146.23 0.00	The determination from the normal business price was the same as given to other unrelated parties 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.

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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
						- The interest rate for the year 2020 was the default rate while the interest rate for the year 2021-22 were the rate according to the court's order approving the business rehabilitation plan (15 June 2021).
		2. THAI leased the lands from the Treasury Department.	2.06	8.03	8.47	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		3. THAI sold tickets to the MOF. - Total revenue - Account receivable	0.00 0.00	0.00 0.00	0.00 0.16	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Government Savings Bank (GSB)	GSB is controlled by the MOF, a major shareholder of THAI.	1. THAI entered into a committed revolving credit line with GSB credit limit up to THB 3.5 billion, the credit line was used. - Outstanding loans - Commitment fee - Interest expenses - Accrued interests	3,500.00 0.00 29.40 29.40	3,500.00 0.00 212.96 212.96	3,500.00 1.37 530.08 522.89	The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. Note: - The interest rate for the year 2020 was the default rate. - The interest rate for the year 2021-22 were the effective interest rate according to the original contract.

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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
		2. THAI sold tickets, rented out space, and other services to GSB. - Total revenue - Account receivable	 0.00 0.00	 0.18 0.00	 2.51 2.03	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Export-Import Bank of Thailand (EXIM)	EXIM is controlled by the MOF, a major shareholder of THAI.	1. THAI entered into a long-term loan agreement with EXIM: - Outstanding loans - Outstanding loans under the rehabilitation plan - Interest expenses - Accrued interests - Deferred interests	 577.46 9.01	 568.48 19.44	 398.74 39.92 37.62	The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties. Note: - The interest rate for the year 2020 was the default rate. - The interest rate for the year 2021-22 were the effective interest rate according to the original contract.
		2. THAI entered into a committed revolving credit line with EXIM credit limit up to THB 1.5 billion, the credit line was used. - Outstanding loans - Outstanding loans under the rehabilitation plan - Commitment fee - Interest expenses - Accrued interests - Deferred interests	 1,458.26 5.43	 1,452.83 11.93	 1,500.00 1.50 170.67 165.38	The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. Note: - The interest rate for the year 2020 was the default rate. - The interest rate for the year 2021-22 were the effective interest rate according to the original contract.

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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
		3. THAI sold tickets to EXIM. - Total revenue	0.00	0.00	0.04	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Islamic Bank of Thailand (IBANK)	IBANK is controlled by the MOF, a major shareholder of THAI.	1. THAI entered into a long-term loan agreement with IBANK: - Outstanding loans - Outstanding loans under the rehabilitation plan - Interest expenses - Accrued interests - Deferred interests	1,220.65 25.29	1,195.37 54.06	2,500.00 253.72 233.68	The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties. Note: After the Central Bankruptcy Court has issued an order approving the rehabilitation plan and a request to amend the plan in accordance with the resolution of a meeting of creditors on May 19, 2021, THAI has performed debt adjustments for financial liabilities measured at amortized cost by using the real interest method and consider the adjusted financial liabilities after the improvement has there been a significant difference for financial liabilities that were significantly different New financial liabilities were recognized at fair value practicing by the discounted cash flow method using the market interest rate. The difference between the carrying amount of the adjusted financial

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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
						<p>liability and the present value of the recalculated financial liability was recognizing gains on debt restructuring in the statements of income and other comprehensive income, and the interest expense recognized at the market rate. If such financial liabilities did 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 as gain on debt restructuring in the statements of income and other comprehensive income while the interest expense was recognized at the effective interest rate according to the original contract while the interest rate for the year 2020 is the default rate.</p> <p>- The interest rate for the year 2021-22 were the rate according to the court's order approving the business rehabilitation plan (15 June 2021).</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> <ul style="list-style-type: none"> - Outstanding loans - Commitment fee - Interest expenses - Accrued interests 	<p>2,260.73</p> <p>18.95</p> <p>18.95</p>	<p>2,260.73</p> <p>63.84</p> <p>63.84</p>	<p>2,260.73</p> <p>0.86</p> <p>284.66</p> <p>260.69</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 2020 was the default rate.</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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
						- The interest rate for the year 2021-22 were the effective interest rate according to the original contract.
		<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> <ul style="list-style-type: none"> - Outstanding loans - Interest expenses - Accrued interests 	<p>3,500.00</p> <p>9.84</p> <p>9.84</p>	<p>3,500.00</p> <p>128.63</p> <p>128.63</p>	<p>3,500.00</p> <p>385.11</p> <p>378.00</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> <ul style="list-style-type: none"> - The interest rate for the year 2020 was the default rate. - The interest rate for the year 2021-22 were the effective interest rate according to the original contract.
		<p>3. THAI sold debentures to KTB.</p> <ul style="list-style-type: none"> - Debenture value - Interest expenses - Accrued interests - Deferred interests 	<p>832.00</p> <p>3.08</p>	<p>832.00</p> <p>6.80</p>	<p>832.00</p> <p>32.15</p> <p>33.33</p>	<p>Note:</p> <ul style="list-style-type: none"> - The interest rate for the year 2020 was the default rate. - The interest rate for the year 2021-22 were the effective interest rate according to the original contract.

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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
		4. THAI provided office space rental, ATM space, utilities, and leased line to KTB. - Total revenue - Account receivable	 0.70 0.21	 3.30 0.22	 3.05 0.11	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		5. THAI paid service fees to KTB for cash delivery and debentures distribution fee. - Total expenses - Account payable	 0.00 0.13	 2.84 0.13	 3.92 0.15	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
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 - Account payable	 0.01 0.00	 0.14 0.00	 0.62 0.01	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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
		2. THAI sold tickets to Thailand Post. - Total revenue - Account receivable	0.00 0.00	0.00 0.00	0.22 0.00	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	0.00 0.24	0.00 0.24	0.00 0.11	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		2. THAI sold tickets and provided office space rental to TAT. - Total revenue - Account receivable	4.09 2.59	10.15 1.13	18.17 0.73	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	0.00 0.87	0.00 0.87	1.63 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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
PTT Public Company Limited (PTT)	PTT and THAI have a common major shareholder, namely MOF.	1. THAI bought fuel for its aircraft and vehicles from PTT.				The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total expenses - Account payable	0.06 1.49	0.06 1.66	18.60 1.50	
		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	0.00	0.00	3.37	
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	463.86 931.06	8,642.18 891.05	4,577.76 892.59	
		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.

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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
		<ul style="list-style-type: none"> - Total revenue - Account receivable 	<ul style="list-style-type: none"> 0.84 14.86 	<ul style="list-style-type: none"> 0.51 13.97 	<ul style="list-style-type: none"> 23.18 13.42 	
CAT Telecom Public Company Limited (CAT)	CAT and THAI have a common major shareholder, namely MOF.	1. THAI sold debentures to CAT.	933.00	933.00	933.00	Note: - The interest rate for the year 2020 was the default rate. - The interest rate for the year 2021-22 were the effective interest rate according to the original contract.
		<ul style="list-style-type: none"> - Debenture value - Interest expenses - Accrued interests - Deferred interests 	4.67	17.48	<ul style="list-style-type: none"> 46.54 49.47 	
		2. THAI rents communication channels from CAT.	0.00	0.25	3.20	The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.
		<ul style="list-style-type: none"> - Total expense - Account payable 	2.51	2.51	2.42	
TOT Public Company Limited (TOT)	TOT and THAI have a common major shareholder, namely MOF.	1. THAI sold debentures to TOT	415.00	415.00	415.00	Note: - The interest rate for the year 2020 was the default rate. - The interest rate for the year 2021-22 are the effective interest rate according to the original contract. THAI has adjusted all debenture payables by amortized cost method in accordance
		<ul style="list-style-type: none"> - Debenture value - Interest expenses - Accrued interests - Deferred interests 	1.82	7.11	<ul style="list-style-type: none"> 15.93 16.80 	

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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
						with the conditions of the rehabilitation plan.
		2. THAI rents optical fibers from TOT - Total expense - Account payable	0.00 7.07	0.42 7.07	7.47 6.23	The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.
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. - Total expenses - Account payable	0.00 10.00	0.00 10.00	9.34 10.00	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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
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.	1. THAI sold tickets and provided office space and computer rental to Thai-Amadeus Southeast Asia Co., Ltd. - Total revenue - Account receivable	1.54 0.48	6.62 0.99	9.26 0.78	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Wingspan Services Company Limited (WSC) (Subsidiary Company)	THAI is the major shareholder of WSC, with 49% shares and controlling authority. THAI's executive officers: Mr. Suvadhana Sibunruang is a Director of WSC.	1. WSC outsourced its staff to THAI. - Total expenses - Account payable	48.57 124.68	178.60 128.93	604.38 138.81	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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
		2. THAI provided office space and equipment rental to WSC. - Total revenue - Account receivable	 0.71 1.23	 0.50 1.59	 2.02 2.05	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 THAI's executive officers: Lt.JG. Supoj Charoensuk is a Director of TFTA on October 1, 2021; Mrs. Busakorn Amornvivat is a Director of TFTA.	1. THAI provided aviation training equipment, office space and equipment rental to TFTA. - Total revenue - Account receivable	 2.55 1.74	 15.08 1.19	 20.23 2.58	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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
		2 TFTA provided flight attendant training to THAI - Total expenses	0.00	0.39	0.45	The pricing is on an arms' length basis and on commercial terms as unrelated parties and according to market price
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	0.00	0.00	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	0.01 1.55	0.04 1.55	11.79 1.55	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. Suvadhana Sibunruang is a Director of Thai Smile Airways;	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	245.06 0.00	342.06 0.00	1,884.16 2.93	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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
	Ms. Piyanee Sungtong is a Directors of Thai Smile Airways.	insurance premium, boarding passes, pilot training and catering to Thai Smile Airways. - Total revenue - Account receivable	483.95 8,526.56	1,323.53 8,384.46	5,015.00 7,763.06	
Don Mueang International Airport Hotel Company Limited (Associated Company)	THAI holds 40% shares in 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.	1. THAI bought catering services from PACCO. - Total expenses - Account payable	11.18 20.44	0.04 20.44	99.02 20.52	The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		2. THAI sold raw materials and services to PACCO. - Total revenue - Account receivable	0.00 0.01	0.00 0.00	0.06 0.00	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 , 2022	For the year ended December 31 , 2021	For the year ended December 31 , 2020	
Suvarnabhumi Airport Hotel Company Limited (Associated Company)	THAI holds 30% shares in Suvarnabhumi Airport Hotel. THAI's executive officer: Ms. Piyanee Sungtong is a Director of Suvarnabhumi Airport Hotel	1. THAI bought hotel rooms for its passengers from Suvarnabhumi Airport Hotel.				The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total expenses - Account payable	0.00 2.16	0.00 2.16	5.69 2.16	
Aeronautical Radio of Thailand Limited (AEROTHAI) (Joint-Venture Company)	AEROTHAI and THAI have a common major shareholder, namely MOF. THAI holds 0.24% shares in 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 expense - Account payable	67.89 107.10	145.30 105.14	364.52 105.53	
		2. THAI sold tickets and provided transportation services to AEROTHAI.				The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue	0.00	0.00	0.12	

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

Entering the above related transactions This is in line with the normal business of the company. and has been approved according to the company's procedures which has strict measures including directors and executives who have interests in such matters will not be involved in the approval of the transaction

6.4 Future related party transaction policy

Audit Committee and THAI will jointly take care of the aforementioned related transactions that may occur in the future to be reasonable and with a fair rate of return as well as being approved in accordance with the relevant procedures and regulations properly and will disclose the type and value of the connected transactions of the Company with persons who may have conflicts of interest under the announcements and regulations of the Securities and Exchange Commission (SEC), the Capital Market Supervisory Board, the SEC Office and the Stock Exchange of Thailand (SET).