

Management’s Discussion and Analysis for the second quarter of 2024 ended June 30, 2024, for Thai Airways International Public Company Limited and Its Subsidiaries

1. Executive summary

In the second quarter of 2024, the global economy tends to expand continuously, main driver comes from the service sector, with signs of recovery in the manufacturing sector and increasing global demand for goods. The economies of the United States and the Eurozone are expanding mainly due to service consumption, while China's economy shows improvement through manufacturing and export growth, along with economic stimulus measures. Nevertheless, the global economy faces risks and potential impacts from geopolitical issues, particularly trade barriers between the United States and China, overcapacity in China's manufacturing sector, and elections in several countries worldwide, especially the U.S. presidential election and the European Parliament elections. Accordingly, the International Monetary Fund (IMF) forecasted that the economy will grow by 3.2%, which is still below the pre-COVID-19 crisis level.

The world aviation industry in the second quarter of 2024 has shown continuous recovery, driven by the increasing demand for international passenger travel. The Asia-Pacific region exhibits the highest growth. According to the International Air Transport Association (IATA), the overall Revenue Passenger Kilometers (RPK) from April to June 2024 increased by an average of 10.1%, with international and domestic passenger traffic grew by 14.0% and 4.2% respectively. Revenue Freight Ton-Kilometers (RFTK) increased by an average of 13.5% compared to the same period last year. For the Asia-Pacific region, the Association of Asia Pacific Airlines (AAPA) reported a 25.4% increase in international passengers compared to the same period last year, a 28.1% increase in RPK and a 26.8% increase in Available Seat Kilometers (ASK). The Cabin Factor (CF) rose from 80.1% to 80.9%, while RFTK increased by 16.0%, and Available Dead Load Ton-Kilometers (ADTK) also increased by 14.0%. The Freight Load Factor (FLF) increased from 60.3% to 61.4%.

Thai economy in the second quarter of 2024 continued to grow, supported by improved tourism sector, with an increase in the number of international tourists and spending per person. Private consumption, especially in the service sector, and increased government spending also contributed to the growth. From April to June 2024, the number of international tourists to Thailand totaled 8.1 million, a 26.3% increase compared to the same period last year. Despite seasonal tourism slowdowns, recovery was driven by the gradual return of Chinese tourists, as well as Indian and Taiwanese tourists due to the extension of visa exemption (Free Visa), representing 90.2% of 2019, nearly comparable to the pre-COVID-19 crisis level. The majority of tourists traveling to Thailand are from the Asia-Pacific region, accounted for 78.8% of all tourists, with the top 5 being China, Malaysia, India, South Korea and Laos. This aligns with the recovery of Thailand's aviation industry, with approximately 28.9 million passengers traveling through 6 major airports from April to June 2024, an increase of 16.0%. Of these, international passengers accounted for about 61.5%, or approximately 17.8 million, representing a growth rate of 27.5% compared to the same period last year.

In the second quarter of 2024, Thai Airways International Public Company Limited (“THAI”) continued to implement a rehabilitation plan, focusing on revenue generation from transportation, improving fleet efficiency, and exploiting non-core assets. The key operations undertaken during this quarter included:

- Improvement of its fleet efficiency and route expansion: by taking delivery of 3 Airbus A350-900 aircraft and 1 Boeing 787-9 aircraft to support increasing flight frequencies to major cities such as Sydney, Taipei, Tokyo (Narita), Kunming, Chengdu, and Phuket, and resuming services to Perth, Colombo, Milan, and Oslo (Milan and Oslo operate from July 1, 2024 onwards). Additionally, opening a new route to Kochi and increasing flights

for special occasions, such as increasing domestic flight frequency during the Songkran festival and providing special flights for Hajj pilgrims to the Kingdom of Saudi Arabia.

- Exploitation of Non-Core Assets: by selling 1 Airbus A340-600 and 1 Boeing 777-200 aircraft, 2 spare engines that are no longer in operations, and other assets.

Additionally, according to the 2024 Skytrax World Airline Awards announcement, THAI ranked sixth for World's Best Airport Services, eighth for World's Best Airline Cabin Crew, and eighth for Best Airline Staff in Asia. Furthermore, THAI was ranked eighth for Best International Airlines from Travel & Leisure World's Best Awards 2024, based on feedback from travelers, tourists and businesspersons from around the world. These awards reflect the international recognition and satisfaction with THAI's service standards. The company remains committed to further improving its services and products to ensure maximum passenger satisfaction.

As of June 30, 2024, THAI operated a total of 77 aircraft. In the second quarter of 2024, THAI had an average aircraft utilization of 13.1 hours. Available Seat Kilometers (ASK) increased 2,787 million or 21.1% and Revenue Passenger Kilometers (RPK) increased 1,243 million or 11.9% from the same period last year. Meanwhile, the cabin factor decreased from 79.2% in the same period last year to 73.2%. The second quarter is typically the period with the lowest passenger travel demand of the year, while 2023 being a period of recovery for the aviation industry from pent-up passenger travel demand, the reopening of China, and the relaxation and removal of travel restrictions, causing the previous year cabin factor higher than usual. However, average passenger yield (including fuel and insurance surcharges) was 3.07 THB and total number of passengers carried was 3.81 million, an increase of 3.4% and 13.7%, respectively from the same period last year. For freight operations, Available Dead Load Ton-Kilometers (ADTK) increased 164 million or 23.5%, and Revenue Freight Ton-Kilometers (RFTK) also increased 87 million by 24.4%. The average freight load factor was 51.5%, similar to the same period last year.

THAI and its subsidiaries report total revenue (excluding one-time items) of THB 43,981 million, THB 6,600 million (17.7%) higher than the same period last year, mainly from an increase in transportation revenue of THB 5,323 million (15.2%), due to the increase in the number of flights and routes to accommodate the continuously rising passenger travel demand. Comparing to quarter 2, 2023, THAI increased frequencies to major cities such as Sydney, Tokyo (Narita), Osaka, Taipei, Hong Kong, Singapore and increasing flight frequencies to China, to respond to the visa exemption policy between Thailand and China. Resumed services to Perth, Colombo and introduced new service to Kochi, India. Consequently, THAI operated flights, covering 59 destinations in 24 countries worldwide, including 8 domestic routes (excluding Bangkok). Passenger revenue increased by THB 4,963 million (15.9%). Freight and mail revenue increased by THB 360 million (9.4%), from an increase in RFTK by 24.4%, despite a decreased in average freight yield by 11.5%. Furthermore, revenue from other businesses increased by THB 724 million (37.3%) due to the increase in both the number of flights and passengers on customer airlines. Other income rises by THB 553 million (115.0%). However, total expenses (excluding one-time items) was THB 9,251 million (32.1%) higher than the previous year according to higher production and/or traffic, more flights, more destinations, and an increase in passenger numbers. Moreover, higher ground service rate, increased raw material prices, and the depreciation of the Thai Baht, resulted in increased service fees and charges, most of which are in foreign currencies. As a result, THAI and its subsidiaries reported an operating profit before finance costs exclude one-time items of THB 5,925 million, THB 2,651 million (30.9%) lower than the same period last year.

THAI and its subsidiaries recognized finance costs, according to Thai Financial Reporting Standards No. 9: TFRS 9 amounted of THB 4,796 million, THB 829 million (20.9%) higher than the previous year, and one-time items mainly due to loss on foreign currency exchange, impairment loss of assets, despite gain on debt restructuring, share of profits from investments in associated companies, and gain on sale of asset. In the second quarter of 2024, there were net one-time transaction loss totaling THB 809 million, resulting in a net profit of THB 314 million, THB 1,959 million lower than the previous year. The net profit attributable to owners of parent was THB 306 million,

resulting in profit per share of THB 0.14, a decrease of THB 0.90 per share (86.5%) from the previous year. EBITDA after deducting cash for debts payment according to the terms of the aircraft lease agreement including aircraft lease fees calculated from actual aircraft use (Power by the Hour) was THB 4,401 million, THB 4,906 million (52.7%) lower than the previous year.

2. Summary of Operating Results for THAI and its subsidiaries

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

Financial Performance: THAI and its subsidiaries

	Apr – Jun			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	43,981	37,381	+6,600	+17.7
- Passenger and excess baggage revenue	36,088	31,125	+4,963	+15.9
- Freight and mail revenue	4,192	3,832	+360	+9.4
- Revenue from other businesses	2,667	1,943	+724	+37.3
- Other income	1,034	481	+553	+115.0
Total operating expenses	38,056	28,805	+9,251	+32.1
- Fuel and oil	13,742	10,244	+3,498	+34.1
- Non-fuel operating expenses	24,314	18,561	+5,753	+31.0
Operating Profit before finance costs exclude one-time items	5,925	8,576	-2,651	-30.9
Finance costs	4,796	3,967	+829	+20.9
Operating Profit exclude one-time items	1,129	4,609	-3,480	-75.5
Gain from debt restructuring	855	942	-87	-9.2
Gain on sale of asset	81	4	+77	+1,925.0
Share of gain of associates using the equity method	15	5	+10	+200.0
Impairment loss in accordance with TFRS 9 (reversal)	5	(95)	+100	+105.3
Adjustment of holiday compensation for retired employees	-	(92)	+92	+100.0
Severance Pay	(4)	-	-4	-
Mutual Separation Plan (MSP)	(6)	(76)	+70	+92.1
Impairment loss of assets	(732)	(1)	-731	-
Loss on foreign currency exchange	(1,023)	(3,330)	+2,307	+69.3
Profit before tax	320	1,966	-1,646	-83.7
Net Profit	314	2,273	-1,959	-86.2
Profit attributable to owners of parent	306	2,262	-1,956	-86.5
Net Profit per share (THB)	0.14	1.04	-0.90	-86.5

		Apr – Jun			
		2024	2023	Variance	
				MTHB	%
Significant operating data					
EBITDA – Aircraft Lease Payment	(MTHB)	4,401	9,307	-4,906	-52.7
Number of passengers	(Million)	3.81	3.35	+0.46	+13.7
Available Seat Kilometers	(Million)	15,993	13,206	+2,787	+21.1
Revenue Passenger Kilometers	(Million)	11,700	10,457	+1,243	+11.9
Cabin Factor	(%)	73.2	79.2		-6.0
Passenger Yield	(THB/RPK)	3.07	2.97	+0.10	+3.4
Available Dead Load Ton-Kilometers	(Million)	861	697	+164	+23.5
Revenue Freight Ton-Kilometers	(Million)	443	356	+87	+24.4
Freight Load Factor	(%)	51.5	51.1		+0.4
Freight carried	(Ton)	105,718	82,279	+23,439	+28.5
Freight Yield	(THB/RFTK)	9.32	10.53	-1.21	-11.5
Number of aircraft (As of Jun 30)	(Aircraft)	78	74	+4	+5.4
Flight hours	(Hours)	79,075	65,345	+13,730	+21.0
Aircraft utilization	(Hours/Aircraft/Day)	13.1	11.8	+1.3	+11.0
Average foreign currency exchange rate					
1 USD : THB		36.7083	34.4783	+2.2300	+6.5
1 EUR : THB		39.5203	37.5072	+2.0131	+5.4
100 JPY : THB		23.5726	25.1250	-1.5524	-6.2
Average jet fuel price	(USD/BBL)	108.11	100.42	+7.69	+7.7

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

Summary of THAI and its subsidiaries

Revenues

The total revenue (excluding one-time items) of the second quarter of 2024 was THB 43,981 million, an increase of THB 6,600 million (17.7%). Details are as follows:

- **Passenger and excess baggage revenue**

Passenger and excess baggage revenue, the majority income of THAI, accounting for approximately 82% of total income (excluding one-time items), amounting to THB 36,088 million, an increase of THB 4,963 million (15.9%) from the previous year resulting from

- Passenger traffic (RPK) increased by 11.9% or approximately THB 3,700 million while Production traffic (ASK) increased by 21.1% since THAI and its subsidiaries increased number of flights and routes to accommodate the continuously increasing passenger demand. THAI increased flight frequencies in major cities such as Sydney, Tokyo (Narita), Osaka, Taipei, Hong Kong, Singapore and increasing flight frequencies to China in response to the visa exemption policy between Thailand and China. THAI also resumed services to Perth and Colombo routes. Additionally, the company has launched a new route to Kochi, India.

- Average passenger yield (including fuel and insurance surcharges) was 3.07 THB, 0.10 THB higher than last year, or approximately THB 1,100 million.

- **Freight and mail revenue**

Freight and mail revenue which accounted for approximately 10% of total revenue (excluding one-time items), amounted to THB 4,192 million, an increase of THB 360 million (9.4%), as a result of a 24.4% increase in Revenue Freight Ton-Kilometers (RFTK), or approximately THB 900 million. The average freight load factor was 51.5%, similar to the previous year. Although average freight yield (including fuel and insurance surcharges) was THB 9.32, a decrease of THB 1.21 or approximately THB 500 million.

- **Revenue from other businesses** consists of revenues from business units which include Ground services, Catering, Cargo handling services, and other supporting activities amounts to THB 2,667 million, an THB 724 million (37.3%) higher than last year, mainly due to the increase in both the number of flights and passengers on customer airlines.

- **Other income** consisting of interest income, penalty fee income and other income, amounted to THB 1,034 million, THB 553 million (115.0%) higher than the previous year due to increased interest income from increased cash, including dividends received from subsidiaries and associates.

Expenses

In the second quarter of 2024, THAI and its subsidiaries had total expenses (excluding one-time items) of THB 38,056 million, an increase of THB 9,251 million (32.1%), mainly due to the increase in traffic production and the depreciation of the Thai Baht against the US dollar and the Euro. Details of the expenses as follows:

- **Fuel and oil expenses**, amount of THB 13,742 million, accounting for 36.1% of total expenses (excluding one-time items), increased by THB 3,498 million (34.1%) as a result of the increased number of flights, resulting in higher fuel consumption than the previous year, average fuel prices being 7.7% higher than the previous year, and the Thai Baht depreciating against the US dollar compared to the previous year, resulting in higher fuel costs when calculated to Thai Baht.

- **Non-fuel operating expenses** total THB 24,314 million, increased by THB 5,753 million (31.0%), with details as follows:

Unit: Million Baht	Apr – Jun			
	2024	2023	Variance	
			MTHB	%
Expenses (excluding one-time items)				
Employee benefit expenses	2,998	2,430	+568	+23.4
Flight service expenses	4,573	3,366	+1,207	+35.9
Crew expenses	1,213	1,000	+213	+21.3
Aircraft maintenance and overhaul costs	5,256	3,771	+1,485	+39.4
Depreciation and amortization expenses	3,255	2,765	+490	+17.7
Lease of aircraft and spare parts	333	685	-352	-51.4
Inventories and supplies	1,698	1,344	+354	+26.3
Selling and advertising expenses	2,427	1,642	+785	+47.8
Other expenses	2,561	1,558	+1,003	+64.4
Non-fuel Operating Expenses	24,314	18,561	+5,753	+31.0

Summary of expenses that have changed significantly are as follows:

- Variable cost totaled THB 15,500 million, higher than last year by THB 3,692 million (31.3%) as follows:
 - Flight service expenses, consisted of ground services, airport fee, navigation fee and other services fee, amounted to THB 4,573 million, an increase of THB 1,207 million (35.9%) mainly from increased number of flights and routes, higher ground service rate per flight, including the depreciation of the Thai Baht which has resulted in increased service fees and charges, most of which are in foreign currencies.
 - Crew expenses amounted to THB 1,213 million, an increase of THB 213 million (21.3%), mainly from increase in traffic production.
 - Aircraft maintenance and overhaul costs total THB 5,256 million, an increase of THB 1,485 (39.4%), mainly due to the increase in estimated maintenance costs from the delivery of 9 Airbus A350-900 aircraft and 1 Boeing 787-9 aircraft. Moreover, a 21.0% increase in flight hours and the depreciation of Thai Baht.
 - Lease of aircraft and spare parts expenses include Power by the Hour and other types of right-of-use asset lease expenses with a contract term of less than 12 months, totaling THB 333 million, a decrease of THB 352 million (51.4%), from lease agreements for aircraft calculated based on actual aircraft usage (Power by the Hour) mostly reach the end of the contract term.
 - Inventories and supplies amounted to THB 1,698 million, an increase of THB 354 million (26.3%), mainly from increased number of passengers, raw materials price and the depreciation of the Thai Baht.
 - Selling and advertising expenses total THB 2,427 million, an increase of THB 785 million (47.8%), mainly due to the increase in reservation expenses in line with the increase in the number of passengers, including the depreciation of the Thai Baht.
- Fixed cost comprises of employee benefits expenses, depreciation, and amortization expenses, and other expenses total THB 8,814 million, THB 2,061 million (30.5%) higher than last year. Details as follows:
 - Employee benefits expenses (excluding compensation reserves for employees participating in Mutual Separation Program and the termination compensation) amounted to THB 2,998 million, an increase of THB 568 million (23.4%), mainly due to the adjustment of the salary payments for pilots and cabin crew, which were reduced from the previous reduction during COVID-19, the increase in the number of employees and outsource staff to support and align with business growth.
 - Depreciation and amortization expenses total THB 3,255 million, an increase of THB 490 million (17.7%), mainly due to the delivery of 9 Airbus A350-900 aircraft and 1 Boeing 787-9 aircraft compared to the same period of the previous year.
 - Other expenses amounted to THB 2,561 million, an increase of THB 1,003 million (64.4%), mainly due to lump sum payment from outside and utilities expenses that increase in line with traffic and production growth.
- **Finance costs** increased by THB 829 million (20.9%) from the previous year, mainly due to the recording of interest on operating leases from the adoption of TFRS 16, in relation to the increase in the delivery of operating lease aircraft, as well as the recognition of finance costs in accordance with TFRS 9 on financial instruments for creditors ordered by the Official Receiver.

Gain from debt restructuring of THB 855 million consisting of profit from the write-off of financial liabilities measured at amortized cost and loss from debt adjustment in accordance with the order of the Official Receiver (Also see Note 4.2 to the financial statements)

Gain from the sale of assets of 81 million Baht, consisting of:

- Gain from the sale of 1 Airbus A340-600 aircraft of THB 4 million
- Gain from the sale of 1 Boeing 777-200 aircraft of THB 0.2 million
- Gain from the sale of 2 Pratt&Whitney PW4168 engines of THB 76 million
- Gain from the sale of other assets of THB 1 million

Mutual Separation Plan (“MSP”) program, compensation for employees participating in the MSP B, C and D plan that have been approved to extend the termination period of THB 6 million.

Severance pay in the event of termination of employment of THB 4 million, which is compensation for employees who terminate employment abroad due to THAI entering the rehabilitation process. It is necessary to improve the organization in all aspects to reduce costs and increase competitiveness.

Impairment loss of assets of THB 732 million from the impairment of 4 TRENT 970-84 engines of the Airbus A380-800 aircraft.

The result of the measurement of financial instruments from the adoption of TFRS No.9 (reversal) of THB 5 million due to trade receivables’ debt repayment.

Loss of foreign currency exchange total THB 1,023 million, consisting of unrealized foreign exchange loss of THB 1,396 million, mainly due to the depreciation of the Thai Baht against the US dollar and the Euro as of June 30, 2024 and March 31, 2024, resulting in an increase in the value of loans, including liabilities under aircraft leases, assets and liabilities in foreign currencies, after translation, while realized foreign exchange gain of THB 373 million.

Share of profit of associates total THB 15 million, higher than the previous year by THB 10 million. Details as follows:

- Don Mueang International Airport Hotel Ltd.’s profit of THB 6 million, increased by THB 3 million from last year.
- Suvarnabhumi Airport Hotel Ltd.’s profit of THB 7 million, increased by THB 5 million from last year.
- Phuket Air Catering Ltd.’s profit of THB 2 million, increased by THB 2 million from last year.

EBITDA after deducting cash payment of debt under aircraft lease terms including Power by the hour for the second quarter of 2024 was THB 4,401 million, THB 4,906 million (52.7%) less than the same period last year.

Summary of performance: THAI and its subsidiaries for the first 6 months of 2024 (January 1 - June 30, 2024)
Financial Performance: THAI and its subsidiaries

	Jan – Jun			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	89,936	78,889	+11,047	+14.0
- Passenger and excess baggage revenue	74,605	66,103	+8,502	+12.9
- Freight and mail revenue	7,954	8,195	-241	-2.9
- Revenue from other businesses	5,269	3,903	+1,366	+35.0
- Other income	2,108	688	+1,420	+206.4
Total operating expenses	72,935	57,280	+15,655	+27.3
- Fuel and oil	26,668	22,296	+4,372	+19.6
- Non-fuel operating expenses	46,267	34,984	+11,283	+32.3
Operating Profit before finance costs exclude				
one-time items	17,001	21,609	-4,608	-21.3
Finance costs	9,403	7,515	+1,888	+25.1
Operating Profit exclude one-time items	7,598	14,094	-6,496	-46.1
Outdated passenger ticket revenue adjustment	4,136	-	+4,136	-
Gain from debt restructuring	1,348	3,582	-2,234	-62.4
Impairment loss in accordance with TFRS 9 (reversal)	58	(120)	+178	+148.3
Gain on sale of assets	47	366	-319	-87.2
Share of gain of associates using the equity method	51	29	+22	+75.9
Adjustment of holiday compensation for retired employees	-	(92)	+92	+100.0
Severance Pay	(4)	-	-4	-
Mutual Separation Plan (MSP)	(18)	(141)	+123	+87.2
Impairment loss of assets	(4,070)	(66)	-4,004	-6,066.7
Loss on foreign currency exchange	(6,395)	(3,214)	-3,181	-99.0
Profit before tax	2,751	14,438	-11,687	-80.9
Net Profit	2,738	14,795	-12,057	-81.5
Profit attributable to owners of parent	2,716	14,776	-12,060	-81.6
Net Profit per share (THB)	1.24	6.77	-5.53	-81.7

		Jan - Jun			
		2024	2023	Variance	
				MTHB	%
Significant operating data					
EBITDA – Aircraft Lease Payment	(MTHB)	18,402	23,361	-4,959	-21.2
Number of passengers	(Million)	7.68	6.87	+0.81	+11.8
Available Seat Kilometers	(Million)	30,639	26,505	+4,134	+15.6
Revenue Passenger Kilometers	(Million)	23,927	21,567	+2,360	+10.9
Cabin Factor	(%)	78.1	81.4		-3.3
Passenger Yield	(THB/RPK)	3.11	3.05	+0.06	+2.0
Available Dead Load Ton-Kilometers	(Million)	1,645	1,393	+252	+18.1
Revenue Freight Ton-Kilometers	(Million)	860	690	+170	+24.6
Freight Load Factor	(%)	52.3	49.5		+2.8
Freight carried	(Ton)	201,397	159,709	+41,688	+26.1
Freight Yield	(THB/RFTK)	9.10	11.65	-2.55	-21.9
Number of aircraft (As of Jun 30)	(Aircraft)	78	74	+4	+5.4
Flight hours	(Hours)	152,242	132,264	+19,978	+15.1
Aircraft utilization	(Hours/Aircraft/Day)	13.0	12.0	+1.0	+8.3
Average foreign currency exchange rate					
1 USD : THB		36.1842	34.1952	+1.9890	+5.8
1 EUR : THB		39.1141	36.9477	+2.1664	+5.9
100 JPY : THB		23.8109	25.3920	-1.5811	-6.2
Average jet fuel price	(USD/BBL)	109.92	108.72	+1.20	+1.1

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

In the first 6 months of 2024, THAI and its subsidiaries had an operating profit before finance costs exclude one-time items of THB 17,001 million, a decrease of THB 4,608 million (21.3%) from the previous year. Total revenue (excluding one-time items) was THB 89,936 million, an increase of THB 11,047 million (14.0%), mainly due to an increase in transportation revenue of THB 8,261 million (11.1%), with passenger and excess baggage revenue increasing by 12.9% from higher passenger traffic and average passenger yield (including fuel and insurance surcharge) than the previous year. Meanwhile, cargo revenue decreased by 2.9% from a decrease in freight yield by 21.9%, despite a 24.6% increase in freight traffic (RFTK). In addition, revenue from other businesses increased by 35.0%, mainly due to the increase in both the number of flights and passengers on customer airlines.

Total expenses (excluding one-time items) amount to THB 72,935 million, an increase of THB 15,655 million (27.3%), mainly due to an increase in fuel expense of THB 4,372 million (19.6%) due to THAI increased the number of flights, resulting more fuel consumption, average fuel prices higher than last year by 1.1%. Moreover, the Thai Baht depreciates against the US dollar compared to the previous year. These cause in higher fuel costs when calculated in Baht. Additionally, operating variable cost increased in line with production growth and fixed cost increased by 26.2%, partly due to an 18.5% increase in employee benefit expenses and a 55.1% increase in other expenses.

THAI and its subsidiaries have one-time items, mainly resulting from foreign currency exchange loss, impairment loss of assets. Although there is a profit from debt restructuring, outdated passenger ticket revenue adjustment, share of profit from associates, gain from sale of assets, and reversal of impairment losses in accordance with TFRS 9, in the first half of 2024, there were net one-time transaction loss totaling THB 4,847 million, resulting in a net profit of THB 2,738 million, lower than the previous year by THB 12,057 million (81.5%), Net profit attributable to owners of the parent total THB 2,716 million. Earnings per share was 1.24 Baht, lower than the previous year by 5.53 Baht per share.

EBITDA after deducting cash payment of debt under aircraft lease terms including Power by the hour for the first 6 months of 2024 was THB 18,402 million, THB 4,959 million less than the same period last year.

3. Financial Position and Liquidity

Capital Expenditures

Unit: Million Baht	Jan - Jun	
	2024	2023
Aircraft and aircraft spare parts	2,211	2,703
Non-Aircraft	307	468
Total	2,518	3,171

In the first 6 months of 2024, capital expenditures were THB 2,518 million, THB 653 million lower than the previous year. Details as follows:

- Investment in aircraft and aircraft spare parts of THB 2,211 million, THB 492 million lower than the same period last year, mostly from the purchase of GENx spare engines for Boeing 787-9 aircraft, and rotatable aircraft spare parts, while last year was for the purchase of TRENT XWB spare engines for Airbus A350-900 aircraft.
- Investment in other fixed assets of THB 307 million, mostly from maintenance equipment services for Technical department.

Liquidity

As of June 30, 2024, THAI and its subsidiaries had cash and cash equivalents of THB 56,255 million, represented 20.8% of total assets, an increase from December 31, 2023 of THB 3,316 million (6.3%).

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

Unit : Million Baht	Jan – Jun	
	2024	2023
Net cash from operating activities	30,916	24,619
Net cash used in investing activities	(18,386)	(4,470)
Net cash used in financing activities	(10,042)	(4,488)
Effect of exchange rate changes on cash and cash equivalents	829	963
Effect of changes in credit loss on cash and cash equivalents	(1)	(11)
Increase in cash and cash equivalents	3,316	16,613

In the first 6 months of 2024, THAI and its subsidiaries had net cash provided by operating activities of THB 30,916 million, an increase of THB 6,297 million from the previous year. Net cash used in investing activities was THB 18,386 million, an increase of THB 13,916 million from the previous year, mainly due to pre-delivery payment for aircraft procuring, investment in bill of exchange, fixed deposits, and purchase of engines, spare parts and rotatable aircraft spare parts. Net cash used in financing activities was THB 10,042 million, an increase of THB 5,554 million from the previous year, mainly from repayment of lease liabilities. As a result, cash and cash equivalents as of June 30, 2024 amounted to THB 56,255 million, an increase of THB 3,316 million from December 31, 2023, which was THB 52,939 million.

Fleet

As of June 30, 2024, THAI and its subsidiaries had 77 active aircraft, with 1 non-operational aircraft and 21 decommission aircraft which the Business Rehabilitation Plan Administrators approved to sell and currently preparing the contract and inspection.

Assets of THAI and its subsidiaries

As of June 30, 2024, THAI and its subsidiaries had total assets of THB 270,526 million, an increase of THB 31,535 million (13.2%) from December 31, 2023. Details as follows:

	Consolidated					
	Jun 30, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	56,255	20.8	52,939	22.2	+3,316	+6.3
Non-current assets held for sale	3,212	1.2	2,103	0.9	+1,109	+52.7
Other current assets	49,541	18.3	39,034	16.3	+10,507	+26.9
Current Assets	109,008	40.3	94,076	39.4	+14,932	+15.9
Property, plant and equipment - net	39,412	14.6	44,579	18.6	-5,167	-11.6
Right-of-use Assets	78,515	29.0	65,048	27.2	+13,467	+20.7
Other non-current assets	43,591	16.1	35,288	14.8	+8,303	+23.5
Total Assets	270,526	100.0	238,991	100.0	+31,535	+13.2

Current assets were THB 109,008 million, represented 40.3% of total assets, increased by THB 14,932 million (15.9%) from as of December 31, 2023. The significant items consisted of

- Other current assets amounted to THB 49,541 million, an increase of THB 10,507 million (26.9%) from December 31, 2023, mainly from an increase of THB 11,302 million in other current financial assets from more investments in bill of exchange with the right to be redeemed, fixed deposits with a maturity period of more than 3 months and not over 1 year and debentures maturity period within 1 year (Also see Notes 5.2, 6.1, 7, 8 to the financial statements).

- Non-current assets classified as held for sale amounted to THB 3,212 million, an increase of THB 1,109 million (52.7%) from December 31, 2023, mainly from the reclassification of 6 Airbus A380-800 aircraft from property, plant and equipment with a net book value of THB 1,328 million and the reclassification of engines, spare parts and other assets from other non-current assets with a net book value of THB 263 million and THB 245 million, respectively. However, there are sales of 3 Airbus A340-600 aircraft, 1 Boeing 747-400 aircraft, 1 Boeing 777-200 aircraft and other assets with a net book value of THB 530 million, including the recording of impairment loss of 6 Boeing 777-200 aircraft amounting to THB 197 million (Also see Note 9 to the financial statements).

- Cash and cash equivalents amounted to THB 56,255 million, an increase of THB 3,316 million (6.3%) from December 31, 2023, with net cash provided by operating activities exceeding net cash used in investing and financing activities.

Property, plant and equipment amounted to THB 39,412 million, represented 14.6% of total assets, a decrease of THB 5,167 million (11.6%) from December 31, 2023, mainly from the recording of impairment loss of THB 3,873 million, consisting of impairment losses of 6 Airbus A380-800 aircraft of THB 3,793 million and TRENT 970-84 spare engines of THB 732 million, despite a reversal of impairment losses of TRENT 772B spare engines of THB 652 million. In addition, there was a transfer of 6 Airbus A380-800 aircraft and 4 spare engines with a net book value of THB 1,558 million to non-current assets classified as held for sale. Depreciation for the

period, despite the additional acquiring of spare engines and rotating aircraft equipment (Also see Note 11 to the financial statements).

Right-of-use assets amounted to THB 78,515 million, represented 29.0% of total assets, consisting of assets under financial leases, aircraft operating lease obligations, and other fixed asset operating leases, increasing by THB 13,467 million (20.7%) from December 31, 2023, mainly from the delivery of 6 Airbus A350-900 aircraft and 1 Boeing 787-9 aircraft, despite depreciation for the period (Also see Note 12 to the financial statements).

Other non-current assets amount to THB 43,591 million, increasing by THB 8,303 million (23.5%) from December 31, 2023, mainly from an increase in pre-delivery payment for aircraft procuring and security deposits under aircraft lease agreements (Also see Notes No. 10.1, 10.2, 13, 14 to the financial statements).

Return on Asset in the first 6 months of 2024 was 1.07% while last year was 7.02% due to net profit in the first 6 months of 2024 was lower than the same period last year, by THB 12,057 million resulting from loss on foreign exchange of THB 6,395 million and impairment loss of assets of THB 4,070 million.

Liabilities of THAI and its subsidiaries

As of June 30, 2024, total liabilities of THAI and subsidiaries amount to THB 310,956 million, an increase from December 31, 2023 of THB 28,823 million (10.2%), details as follows:

	Consolidated					
	Jun 30, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	73,036	23.5	67,009	23.8	+6,027	+9.0
Current portion of long-term liabilities	9,662	3.1	7,187	2.5	+2,475	+34.4
Long-term liabilities	173,955	55.9	157,231	55.7	+16,724	+10.6
Other non-current liabilities	54,303	17.5	50,706	18.0	+3,597	+7.1
Total Liability	310,956	100.0	282,133	100.0	+28,823	+10.2

Current liabilities amount to THB 73,036 million, represented 23.5% of total liabilities, an increase of THB 6,027 million (9.0%) from December 31, 2023, mainly due to an increase in trade and other current payables of THB 4,813 million resulting from trade payables in line with higher revenues from sales or rendering services. Furthermore, unearned revenue increased by THB 1,855 million in line with increased flights and revenue. (Also see Notes 5.2, 17 to the financial statements)

Long-term liabilities, including the current portion of long-term liabilities amounted to THB 183,617 million, represented 59.0% of total liabilities, an increase of THB 19,199 million (11.7%) from December 31, 2023. Mainly an increase in lease liabilities of THB 16,972 million from the operating leases of additional 6 Airbus A350-900 aircraft and 1 Boeing 787-9 aircraft, lease liabilities changed in line with changes in right-of-use of assets (Also see Notes 5.2, 6.3, 15.1, 15.2, 16 to the financial statements).

Other non-current liabilities amounted to THB 54,303 million, represented 17.5% of total liabilities, an increase of THB 3,597 million (7.1%), mainly due to an increase in estimates of other non-current liabilities of THB 5,936 million from long-term provision for repair and maintenance of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others component of aircraft which has to pay maintenance in the future in accordance with the agreement. THAI has obligation under operating lease of aircraft maintenance, aircraft's engines and other components maintenance over the lease period including preparation of aircraft conditions before

handover to lessors at the end of the lease. THAI shall estimate expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which were calculated along with usage time proportion. Although trade and other non-current payables decrease by THB 2,277 million from trade and other payables adjustments to be in accordance with the debt maturity date and interest rates under the rehabilitation plan and the order of the Official Receiver (Also see Notes 5.2, 17, 18, 19, 20 to the financial statements).

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

As of June 30, 2024, shareholders' equity of THAI and its subsidiaries is THB -40,430 million, an improvement of THB 2,712 million compared to December 31, 2023, from the operating profits of the company and its subsidiaries.

Contingent Liabilities

As of June 30, 2024, THAI had contingent liabilities arising from commitments which have not been recognized in the financial statements from bank guarantee issued by domestic and foreign banks and future obligations under aircraft lease agreements and asset acquisition agreements, which are awaiting delivery (Also see Note 25 to the financial statements).

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

During the second quarter of 2024, Thai Airways Public Company Limited ("THAI") had total revenue (excluding the one-time items) of THB 43,857 million, THB 8,903 million (25.5%) higher than last year, resulting from an increase in transportation revenue amounted to THB 8,094 million (25.1%) from increasing production and traffic. This quarter, THAI increased flights on major routes, such as Sydney, Tokyo (Narita), Osaka, Taipei, Hong Kong, Singapore, and add frequencies to China, and resuming services to Perth. Moreover, THAI launched a new direct flight route to Kochi, India. Furthermore THAI operated the regional and domestic routes replacing ThaiSmile. Revenue from passenger transportation increased by THB 7,738 million (27.3%) due to higher passenger production and traffic. Freight and mail revenue also rose by THB 356 million (9.3%) from a 24.4% increase in Revenue Freight Ton-Kilometers (RFTK), despite a 11.6% decrease in freight yield. Revenue from other businesses increased THB 203 million (8.6%), mainly due to the increase in both the number of flights and passengers on customer airlines. Additionally, other business revenue grew by THB 606 million. Total expenses (excluding the one-time items) amounted to THB 38,002 million, THB 11,747 million (44.7%) higher than last year resulting from increasing in production/traffic, number of flights, routes, number of passenger, higher ground handling rates and raw material price and Thai Baht depreciation, which has resulted in higher expenses and fees that are mostly in foreign currencies. As the results, THAI reported the operating profit before finance costs exclude one-time items of THB 5,855 million, THB 2,844 million (32.7%) lower than the same period last year.

THAI recognized financial costs, which was the recognition of financial costs according to Financial Reporting Standards No. 9: TFRS 9 in the amount of THB 4,795 million, THB 1,021 million (27.1%) higher than last year and a one-time transaction mainly caused by losses from foreign currency exchange, impairment loss of assets, gain on debt restructuring and impairment loss in accordance with TFRS 9 (reversal), net one-time transaction loss totaling THB 642 million, Resulting in net profit of THB 418 million, THB 1,612 million lower than the previous year. Profit per share was 0.19 Baht, 0.74 Baht (79.6%) lower than last year. EBITDA after deducting cash for debts payment according to the terms of the aircraft lease agreement including aircraft rental fees calculated from actual aircraft use (Power by the Hour) was THB 4,324 million, THB 3,874 million (47.3%) lower than last year.

Financial Performance: THAI

	Apr - Jun			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	43,857	34,954	+8,903	+25.5
- Passenger and excess baggage revenue	36,088	28,350	+7,738	+27.3
- Freight and mail revenue	4,192	3,836	+356	+9.3
- Revenue from other businesses	2,573	2,370	+203	+8.6
- Other income	1,004	398	+606	+152.3
Total operating expenses	38,002	26,255	+11,747	+44.7
- Fuel and oil	13,742	9,433	+4,309	+45.7
- Non-fuel operating expenses	24,260	16,822	+7,438	+44.2
Operating Profit before finance costs exclude one-time items	5,855	8,699	-2,844	-32.7
Finance costs	4,795	3,774	+1,021	+27.1
Operating Profit exclude one-time items	1,060	4,925	-3,865	-78.5
Gain from debt restructuring	855	942	-87	-9.2
Impairment loss in accordance with TFRS 9 (reversal)	185	(22)	+207	+940.9
Gain on sale of asset	81	4	+77	+1,925.0
Adjustment of holiday compensation for retired employees	-	(92)	+92	+100.0
Severance Pay	(4)	-	-4	-
Mutual Separation Plan (MSP)	(6)	(76)	+70	+92.1
Impairment loss of assets	(732)	(1)	-731	-
Overhaul provision of Airbus A320 aircraft transferred from Thai Smile	-	(1,033)	+1,033	+100.0
Loss on foreign currency exchange	(1,021)	(2,930)	+1,909	+65.2
Profit before tax	418	1,717	-1,299	-75.7
Net Profit	418	2,030	-1,612	-79.4
Net Profit per share (THB)	0.19	0.93	-0.74	-79.6

		Apr - Jun			
		2024	2023	Variance	
				MTHB	%
Significant operating data					
EBITDA – Aircraft Lease Payment	(MTHB)	4,324	8,198	-3,874	-47.3
Number of passengers	(Million)	3.81	2.12	+1.69	+79.7
Available Seat Kilometers	(Million)	15,993	12,056	+3,937	+32.7
Revenue Passenger Kilometers	(Million)	11,700	9,529	+2,171	+22.8
Cabin Factor	(%)	73.2	79.0		-5.8
Passenger Yield	(THB/RPK)	3.07	2.97	+0.10	+3.4
Available Dead Load Ton-Kilometers	(Million)	861	697	+164	+23.5
Revenue Freight Ton-Kilometers	(Million)	443	356	+87	+24.4
Freight Load Factor	(%)	51.5	51.1		+0.4
Freight carried	(Ton)	105,718	79,228	+26,490	+33.4
Freight Yield	(THB/RFTK)	9.32	10.54	-1.22	-11.6
Number of aircraft (As of Jun 30)	(Aircraft)	78	57	+21	+36.8
Flight hours	(Hours)	79,075	51,253	+27,822	+54.3
Aircraft utilization	(Hours/Aircraft/Day)	13.1	13.8	-0.7	-5.1
Average foreign currency exchange rate					
1 USD : THB		36.7083	34.4783	+2.2300	+6.5
1 EUR : THB		39.5203	37.5072	+2.0131	+5.4
100 JPY : THB		23.5726	25.1250	-1.5524	-6.2
Average jet fuel price	(USD/BBL)	108.11	100.42	+7.69	+7.7

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

In the first 6 months of 2024, Thai Airways International Public Company Limited (THAI) has total revenue (excluding one-time items) of THB 89,751 million, an increase of THB 15,844 million (21.4%) from the previous year, mainly due to an increase in passenger transportation revenue of THB 14,301 million (23.7%), resulting from higher production and traffic transport. In addition, other revenue from other activities increases by THB 284 million (5.9%) due to the increase in both the number of flights and passengers on customer airlines. Total expenses (excluding one-time items) totaled THB 72,776 million, an increase of THB 20,145 million (38.3%) from the previous year, mainly due to operating expenses that varied in line with higher production and/or traffic volumes. As a result, operating profit before finance costs, excluding one-time items, was THB 16,975 million, a decrease of THB 4,301 million (20.2%) from the previous year.

In the first 6 months of 2024, net one-time transaction loss totaling THB 4,647 million, resulting in net profit of THB 2,925 million, lower than the previous year by THB 10,984 million, equivalent to Profit per share of 1.34 Baht, down from the previous year by 5.03 Baht. EBITDA after deducting cash for debts payment according to the terms of the aircraft lease agreement including aircraft rental fees calculated from actual aircraft use (Power by the Hour), was THB 18,364 million, down from the previous year by THB 3,249 million (15.0%).

Accumulated Financial Performance: THAI

	Jan - Jun			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	89,751	73,907	+15,844	+21.4
- Passenger and excess baggage revenue	74,605	60,304	+14,301	+23.7
- Freight and mail revenue	7,954	8,199	-245	-3.0
- Revenue from other businesses	5,097	4,813	+284	+5.9
- Other income	2,095	591	+1,504	+254.5
Total operating expenses	72,776	52,631	+20,145	+38.3
- Fuel and oil	26,668	20,492	+6,176	+30.1
- Non-fuel operating expenses	46,108	32,139	+13,969	+43.5
Operating Profit before finance costs exclude one-time items	16,975	21,276	-4,301	-20.2
Finance costs	9,403	7,125	+2,278	+32.0
Operating Profit exclude one-time items	7,572	14,151	-6,579	-46.5
Outdated passenger ticket revenue adjustment	4,136	-	+4,136	-
Gain from debt restructuring	1,348	3,582	-2,234	-62.4
Impairment loss in accordance with TFRS 9 (reversal)	315	(428)	+743	+173.6
Gain on sale of asset	47	366	-319	-87.2
Adjustment of holiday compensation for retired employees	-	(92)	+92	+100.0
Severance Pay	(4)	-	-4	-
Mutual Separation Plan (MSP)	(18)	(141)	+123	+87.2
Impairment loss of assets	(4,070)	(66)	-4,004	-6,066.7
Provision of overhaul for Airbus A320 aircraft transferred from Thai Smile	-	(1,033)	+1,033	+100.0
Loss on foreign currency exchange	(6,401)	(2,799)	-3,602	-128.7
Profit before tax	2,925	13,540	-10,615	-78.4
Net Profit	2,925	13,909	-10,984	-79.0
Net Profit per share (THB)	1.34	6.37	-5.03	-79.0

		Jan - Jun			
		2024	2023	Variance	
				MTHB	%
Significant operating data					
EBITDA – Aircraft Lease Payment	(MTHB)	18,364	21,613	-3,249	-15.0
Number of passengers	(Million)	7.68	4.31	+3.37	+78.2
Available Seat Kilometers	(Million)	30,639	24,108	+6,531	+27.1
Revenue Passenger Kilometers	(Million)	23,927	19,646	+4,281	+21.8
Cabin Factor	(%)	78.1	81.5		-3.4
Passenger Yield	(THB/RPK)	3.11	3.06	+0.05	+1.6
Available Dead Load Ton-Kilometers	(Million)	1,645	1,393	+252	+18.1
Revenue Freight Ton-Kilometers	(Million)	860	690	+170	+24.6
Freight Load Factor	(%)	52.3	49.5		+2.8
Freight carried	(Ton)	201,397	153,744	+47,653	+31.0
Freight Yield	(THB/RFTK)	9.10	11.66	-2.56	-22.0
Number of aircraft (As of Jun 30)	(Aircraft)	78	57	+21	+36.8
Flight hours	(Hours)	152,242	102,924	+49,318	+47.9
Aircraft utilization	(Hours/Aircraft/Day)	13.0	14.0	-1.0	-7.1
Average foreign currency exchange rate					
1 USD : THB		36.1842	34.1952	+1.9890	+5.8
1 EUR : THB		39.1141	36.9477	+2.1664	+5.9
100 JPY : THB		23.8109	25.3920	-1.5811	-6.2
Average jet fuel price	(USD/BBL)	109.92	108.72	+1.20	+1.1

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

Assets of Thai Airways International PCL.

As of June 30, 2024, THAI has total assets of THB 269,798 million, an increase of THB 32,370 million (13.6%) from December 31, 2023. Details as follows:

	Separate Financial Statement					
	Jun 30, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	55,848	20.7	52,359	22.0	+3,489	+6.7
Non-current assets held for sale	3,212	1.2	2,103	0.9	+1,109	+52.7
Other current assets	49,518	18.3	38,377	16.2	+11,141	+29.0
Current Assets	108,578	40.2	92,839	39.1	+15,739	+17.0
Property, plant and equipment-net	39,362	14.6	44,556	18.8	-5,194	-11.7
Right-of-use Assets	78,491	29.1	65,042	27.4	+13,449	+20.7
Other non-current assets	43,367	16.1	34,991	14.7	+8,376	+23.9
Total Assets	269,798	100.0	237,428	100.0	+32,370	+13.6

- Current assets amounted to THB 108,578 million, representing 40.2% of total assets, an increase of THB 15,739 million (17.0%) from December 31, 2023, mainly due to an increase of THB 11,251 million in other current financial assets from more investments in bill of exchange with the right to be redeemed, fixed deposits with a maturity period of more than 3 months and not over 1 year and debentures maturity period within 1 year.

In addition, cash and cash equivalents increased by THB 3,489 million (Also see Note 5.2, 6.1, 7, 8 to the financial statements).

- Property, Plant and Equipment amounted to THB 39,362 million, representing 14.6% of total assets, a decrease of THB 5,194 million (11.7%), mainly due to the impairment loss of 6 Airbus A380-800 aircraft of THB 3,793 million, TRENT 970-84 spare engines of THB 732 million, despite the reversal of impairment loss of TRENT 772B spare engines of THB 652 million. In addition, there was a reclassification of 6 Airbus A380-800 aircraft and 4 spare engines, with net book value of THB 1,558 million to non-current assets classified as assets held for sale, even though there is an additional purchase of engines, spare parts and aircraft equipment (Also see Note 11 to the financial statements).

- Right-of-use assets amount to THB 78,491 million, representing 29.1% of total assets, consisting of assets under capital leases and operating lease aircraft and other operating leases fixed asset, increase by THB 13,449 million (20.7%), mainly due to the delivery of 6 Airbus A350-900 aircraft and 1 Boeing 787-9 aircraft, despite depreciation for the period (Also see Note 12 to the financial statements).

- Other non-current assets amount to THB 43,367 million, representing 16.1% of total assets, an increase of THB 8,376 million (23.9%) from December 31, 2023. Mainly from an increase in pre-delivery payment for aircraft procuring and security deposits under aircraft lease agreements (Also see Notes 10.1, 10.2, 13, 14 to the financial statements).

Liabilities of Thai Airways International PCL.

As of June 30, 2024, THAI has total liabilities of THB 310,225 million, an increase of THB 29,445 million (10.5%) from December 31, 2023. Details as follows:

	Separate Financial Statement					
	Jun 30, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	72,372	23.3	65,709	23.4	+6,663	+10.1
Current portion of long-term liabilities	9,652	3.1	7,180	2.6	+2,472	+34.4
Long-term liabilities	173,943	56.1	157,231	56.0	+16,712	+10.6
Other non-current liabilities	54,258	17.5	50,660	18.0	+3,598	+7.1
Total Liabilities	310,225	100.0	280,780	100.0	+29,445	+10.5

- Current liabilities amounted to THB 72,372 million, representing 23.3% of the total liabilities, an increase of THB 6,663 million (10.1%) from December 31, 2023, due to an increase in trade and other payables amounted to THB 5,403 million, and unearned revenue increased by THB 1,903 million in line with increased flights and revenue (Also see Notes 5.2, 17 to the financial statements).

- Long-term liabilities, including the current portion of long-term liabilities were THB 183,595 million represented 59.2% of total liabilities, increased by THB 19,184 million (11.7%) resulting from increase in lease liabilities amounted to THB 16,955 million, from taking the delivery of 6 Airbus A350-900 aircraft and 1 Boeing 787-9 aircraft (Also see Note 5.2, 6.3, 15.1, 15.2, 16 to the financial statements).

- Other non-current liabilities amounted to THB 54,258 million, represented 17.5% of total liabilities, an increase of THB 3,598 million (7.1%), mainly due to an increase in estimates of other non-current liabilities of THB 5,936 million from long-term provision for repair and maintenance of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others component of aircraft which has to pay maintenance in the future in accordance with the agreement. THAI has obligation under operating lease of aircraft maintenance, aircraft's engines and other components maintenance over the lease period including preparation of aircraft conditions before handover to lessors at the end of the lease. THAI shall estimate expected maintenance expenses upon flight hour,

flight cycle, overhaul period, and lease period which were calculated along with usage time proportion. Although trade and other non-current payables decrease by THB 2,277 million from trade and other payables adjustments to be in accordance with the debt maturity date and interest rates under the rehabilitation plan and the order of the Official Receiver (Also see Notes 5.2, 17, 18, 19, 20 to the financial statements).

Shareholders' Equity of Thai Airways International PCL.

As of June 30, 2024, THAI has shareholders' equity of THB -40,427 million, an improvement of THB 2,925 million compared to December 31, 2023, from the operating profits of the company.

4. Outlook

In the second half of 2024, the main attention will be focused on the elections in the United States, the world's largest economy, which will take place in November 2024, which could influence changes and the direction of international economic and political policies, alter geopolitics in various regions, and potentially increase or decrease political tensions and conflicts. The IMF projects global economic growth of 3.2% for 2024 and 3.3% for 2025.

For 2024, IATA forecasts that the aviation industry will continue to grow and return to profitability, with passenger transport volume equivalent to pre-crisis levels of 2019 since February 2024. The annual passenger transport volume is expected to grow by 11.6%, and passenger numbers by 10.4% compared to the previous year. However, IATA anticipates that while the aviation industry will continue to grow, the growth rate will begin to slow down. The Asia-Pacific region is expected to experience the highest growth. Additionally, the industry will face challenges related to rising costs due to climate change, decarbonization efforts, and other risks that could impact business operations. These factors may affect the operational performance strength of airlines, which remain fragile from the COVID-19 pandemic.

For Thailand, the Bank of Thailand forecasts economic growth in the second half of 2024, driven by tourism sector, continuous private consumption growth, and increased government spending. The number of tourists in 2024 is expected to reach approximately 35.5 million, a 25.9% increase from the previous year, due to improved global tourism demand, sufficient seat capacity, and positive effects from government measures aimed at driving the tourism economy, which must implement various strategies to attract foreign tourists, including facilitating travelers, such as visa exemption scheme (Free Visa) with a 60-day visa exemption for those traveling for tourism, work, or short-term business purposes, expanding from 57 countries to 93 countries, effective from July 15, 2024. However, merchandise exports are still growing at a low level this year. Additionally, the Thai economy faces both external and internal risks that need monitoring. Global geopolitical risks, such as the potential escalation of the conflict between Israel and Palestine, could impact the global supply chain and Thailand's export of goods. Financial system risks from the accelerating issue of bad debts, both in the household and business sectors, may also pressure consumption and investment.

To accommodate the growth of passenger numbers from the aviation industry recovery, THAI will manage and improve its fleet by taking delivery of 2 Airbus A330-300 aircraft around November 2024. Additionally, in the fourth quarter of 2024, THAI will begin retrofitting the cabin seats of Airbus A320-200 aircraft with Royal Silk Class reclining seats and will also installing a Wireless IFE (In-Flight Entertainment) system to provide onboard entertainment services. Furthermore, THAI entered into an agreement with the Boeing Company in acquiring long range wide-body Boeing 787 aircraft, consisting of a firm order of 45 aircraft, with option order 35 aircraft, according to the long-term delivery schedule starting from 2027 to 2033. This acquisition aims to increase long-term production capacity and replace aging aircraft and/or those with expiring leases. THAI anticipates having a fleet of 96 aircraft by 2033 (if only the initial 45 aircraft under the contract are received) or 131 aircraft (if all 80 aircraft are received).

Additionally, it will resume services on Bangkok-Brussels flights in the winter schedule of 2024/2025, expected to operate from December 1, 2024. Flight frequencies increment to Nagoya, Lahore, Islamabad, and Denpasar will also be increased. THAI also announced a codeshare partnership to expand its route network, including routes between Bangkok and Kuwait City, Kuwait City and Rome, and Kuwait City and Athens, operated by Kuwait Airways. Kuwait Airways, the national carrier of the state of Kuwait, will reciprocate with a codeshare partnership on routes between Bangkok and Kuala Lumpur operated by THAI starting June 26, 2024. This codeshare cooperation will enhance services and provide more travel options for passengers of both airlines, with plans for additional codeshare routes in the future, pending approval from relevant authorities.

THAI is preparing a registration statement for sale of securities and draft prospectus to the Securities and Exchange Commission, Thailand (SEC) and the Stock Exchange of Thailand (SET) in preparation for its capital restructuring process. THAI expects to complete debt-to-equity conversion and newly ordinary shares offerings within the end of year 2024, with the objective to have positive shareholders' equity in 2024's annual financial statements. This is one of the conditions for the success of business rehabilitation. Thus, THAI securities can resume trading on the stock exchange again to build confidence among creditors, existing shareholders and investors in supporting and joining as partner of THAI, as it returns to strong growth and sustainable profitability.

5. Financial Ratios

		Jan - Jun			
		Consolidated		The Company	
		2024	2023	2024	2023
Liquidity Ratio					
Current Ratio	(times)	2.45	2.24	2.47	2.35
Profitability Ratio					
Operating Profit (Loss) Margin	%	8.45	17.87	8.43	19.15
Net Profit (Loss) Margin	%	3.04	18.75	3.26	18.82
Return on Equity	%	n/a	n/a	n/a	n/a
Efficiency Ratio					
Return on Total Assets	%	1.07	7.02	1.15	6.60
Financial Policy Ratio					
Interest Bearing Debt to Equity	(times)	n/a	n/a	n/a	n/a
Total Debt to Equity	(times)	n/a	n/a	n/a	n/a
Interest Coverage Ratio	(times)	2.91	3.60	2.91	3.55
Net Debt to EBITDA	(times)	9.30	8.45	9.30	8.78
Debt Service Coverage Ratio	(times)	1.44	2.06	1.44	2.00

GLOSSARY

Current Ratio	= Current Assets (Exclude Non-Current Assets held for sale / Current Liabilities (Exclude Unearned Transportation Revenues)
Operating Profit (Loss) Margin	= Operating Profit (Loss) / Total Revenue (Exclude one-time items)
Net Profit (Loss) Margin	= Net Profit (Loss) / Total Revenue (Exclude one-time items)
Return on Equity	= Net Profit (Loss) / Average Shareholders' Equity
Return on Total Assets	= Net Profit (Loss) / Average total assets
Interest Bearing Debt to Equity	= (Short-term Loan + Long-term Loan including current portion of Long-term Loan within 1 year) / Shareholders' Equity
Total Debt to Equity	= 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 six months period ended June 30, 2024 are detailed as follow:

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Ministry of Finance (MOF)	MOF is the major shareholder of THAI with 47.86% shares.	1. International loans take through the MOF consist of:				- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. - Also see Notes No.1 and 2
		- Outstanding loans under the rehabilitation plan	13,037.63	12,583.54	11,721.78	
		- Deferred interests	453.09	861.76	135.90	
		2. THAI leased the lands from the Treasury Department.	3.63	7.80	8.63	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		3. THAI sold tickets to MOF.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue	0.00	1.43	0.00	
		- Account receivable	0.00	0.00	0.00	

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Government Savings Bank (GSB)	GSB is controlled by the MOF, a major shareholder of THAI.	<p>1. THAI entered into a committed revolving credit line with GSB credit limit up to THB 3.5 billion, the credit line was used.</p> <p>- Outstanding loans - Interest expenses - Accrued interests</p> <p>2. THAI sold tickets, rented out space, and other services to GSB.</p> <p>- Total revenue</p>	<p>3,500.00 59.28 59.28</p> <p>0.25</p>	<p>3,500.00 119.22 119.22</p> <p>0.36</p>	<p>3,500.00 119.22 119.22</p> <p>0.63</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>Note: - The interest rate for the year 2022-24 were the effective interest rate according to the original contract. - The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>
Export-Import Bank of Thailand (EXIM)	EXIM is controlled by the MOF, a major shareholder of THAI.	<p>1. THAI entered into a long-term loan agreement with EXIM:</p> <p>- Outstanding loans - Outstanding loans under the rehabilitation plan - Deferred interests</p>	<p>- - -</p>	<p>- - -</p>	<p>605.90 37.45</p>	<p>- The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1 and 3</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
		<p>2. THAI entered into a committed revolving credit line with EXIM credit limit up to THB 1.5 billion, the credit line was used.</p> <p>- Outstanding loans under the rehabilitation plan - Deferred interests</p>	<p>1,519.50 11.42</p>	<p>1,508.18 22.63</p>	<p>1,485.55 22.18</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Note No.1</p>
Islamic Bank of Thailand (IBANK)	IBANK is controlled by the MOF, a major shareholder of THAI.	<p>1. THAI entered into a long-term loan agreement with IBANK:</p> <p>- Outstanding loans under the rehabilitation plan - Deferred interests</p>	<p>1,653.25 74.75</p>	<p>1,579.31 139.89</p>	<p>1,273.73 78.36</p>	<p>- The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.1 and 3</p>
Krung Thai Bank Public Company Limited (KTB)	MOF controlled via the Bank of Thailand and Financial Institutions Development Fund, which is the major shareholder of KTB.	<p>1. THAI entered into a committed revolving credit line with KTB credit limit up to THB 3.0 billion, the credit line was used.</p> <p>- Outstanding loans - Interest expenses - Accrued interests</p>	<p>2,260.73 38.22 38.22</p>	<p>2,260.73 76.86 76.86</p>	<p>2,260.73 76.86 76.86</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>Note: - The interest rate for the year 2022-24 were the effective interest rate according to the original contract.</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
		2. THAI entered into a committed revolving credit line with KTB credit limit up to THB 3.5 billion, the credit line was used. - Outstanding loans - Interest expenses - Accrued interests	3,500.00 19.84 19.84	3,500.00 39.90 39.90	3,500.00 39.90 39.90	- 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 2022-24 were the effective interest rate according to the original contract.
		3. THAI sold debentures to KTB. - Debenture value - Interest in accordance with the business rehabilitation plan	832.00 6.19	832.00 12.48	832.00 12.48	- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. - Also see Note No.1
		4. THAI provided office space rental, ATM space, utilities, and leased line to KTB. - Total revenue - Account receivable	1.27 0.00	2.58 0.21	2.72 0.16	- 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	0.17 0.13	0.00 0.13	0.00 0.13	- 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 six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Thailand Post Company Limited	Thailand Post and THAI have a common major shareholder, namely MOF.	1. THAI bought postal services, both domestic and international, and postal tools from Thailand Post. - Total expenses	0.14	0.38	0.27	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Tourism Authority of Thailand (TAT)	TAT is controlled by the MOF, a major shareholder of THAI.	1. THAI paid for advertising and sales promotion to TAT. - Total expenses - Account payable 2. THAI sold tickets and provided office space rental to TAT. - Total revenue - Account receivable	0.00 0.52 15.22 5.55	1.32 0.52 4.57 0.87	0.00 0.52 16.17 5.23	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - The pricing is on an arms' length basis and on commercial terms as unrelated parties.
MCOT Public Company Limited (MCOT)	MCOT and THAI have a common major shareholder, namely MOF.	1. THAI paid for advertising to MCOT. - Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	0.00 0.00 0.76 0.14	0.00 0.00 0.86 0.16	0.00 0.87 - -	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
PTT Public Company Limited (PTT)	PTT and THAI have a common major shareholder, namely MOF.	1. THAI bought fuel and lubricant for its vehicles from PTT.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.1
		- Total expenses	0.00	0.00	0.00	
		- Account payable	1.46	0.13	0.17	
		- Account payable under the rehabilitation plan	1.13	1.26	1.17	
		- Deferred interests	0.37	0.23	0.33	
		2. THAI sold tickets to PTT.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue	14.09	28.07	16.33	
PTT Oil and Retail Business Public Company Limited (PTTOR)	PTT is the major shareholder of PTTOR with 75% shares.	1. THAI purchased JET A-1 aviation fuel and fuel for vehicles from PTTOR.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.1
		- Total expenses	4,158.88	7,183.63	6,255.97	
		- Account payable	416.53	665.95	376.24	
		- Account payable under the rehabilitation plan	603.27	644.03	591.10	
		- Deferred interests	223.00	144.00	201.98	
		2. THAI sold tickets to PTTOR.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue	4.90	11.84	8.83	

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Airports of Thailand Public Company Limited (AOT)	AOT and THAI have a common major shareholder, namely MOF.	<p>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.</p> <p>- Total expenses - Account payable</p> <p>2. THAI sold tickets to AOT and received 2% of passenger service charge collected for AOT.</p> <p>- Total revenue - Account receivable</p>	<p>4,252.53 1,089.79</p> <p>33.05 110.44</p>	<p>6,676.54 889.86</p> <p>49.20 78.08</p>	<p>3,865.62 890.11</p> <p>18.52 33.70</p>	<p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p> <p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>
National Telecom Public Company Limited (NT)	NT and THAI have a common major shareholder, namely MOF.	<p>1. THAI sold debentures to NT.</p> <p>- Debenture value - Interest in accordance with the business rehabilitation plan</p> <p>2. THAI sold debentures to TOT</p> <p>- Debenture value - Interest in accordance with the business rehabilitation plan</p>	<p>933.00 6.94</p> <p>415.00 3.09</p>	<p>933.00 13.99</p> <p>415.00 6.22</p>	<p>933.00 13.99</p> <p>415.00 6.22</p>	<p>- The pricing, terms, interest rates and Commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Note No.1</p> <p>- The pricing, terms, interest rates and Commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Note No.1</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
		3. THAI rents communication channels from NT. - Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	 0.00 0.00 9.20 2.26	 0.00 9.60 	 0.00 9.60 	- The pricing is on an arms' length basis and on commercial terms 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. - Account payable - Account payable under the rehabilitation plan - Deferred interests	 0.00 7.19 1.91	 0.00 9.35 0.88	 10.00 - -	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai-Amadeus Southeast Asia Company Limited (Subsidiary Company)	THAI is the major shareholder of Thai-Amadeus Southeast Asia, with 55% shares. THAI's executive officers: - Mr. Chai Eamsiri is a Director of Thai-Amadeus Southeast Asia; - Mr. Korakot Chatasingha is a Director of Thai-Amadeus	1. THAI sold tickets and provided office space and computer rental to Thai-Amadeus Southeast Asia Co., Ltd. - Total revenue - Account receivable	 1.95 0.31	 3.53 0.30	 6.20 1.04	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
	Southeast Asia; - Mr. Tras Prommobol is a Director of Thai-Amadeus Southeast Asia.					
Wingspan Services Company Limited (WSC) (Subsidiary Company)	THAI is the major shareholder of WSC, with 49% shares and controlling authority. THAI's executive officers: - Mrs. Chuntarica Jotikasthira is a Director of WSC.	1. WSC outsourced its staff to THAI. - Total expenses - Account payable 2. THAI provided office space and equipment rental to WSC. - Total revenue - Account receivable	705.95 372.68 281.23 282.67	1,062.82 306.78 3.42 2.24	376.97 166.36 3.56 1.37	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai Flight Training Company Limited (TFTA) (Subsidiary Company)	THAI is the major shareholder of TFTA, with 49% shares and controlling authority	1. THAI provided aviation training equipment, office space and equipment rental to TFTA. - Total revenue - Account receivable	30.91 9.51	34.75 0.77	22.14 4.23	- 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 six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
	THAI's executive officers: - Mr. Chawan Ratanawaraha is a Director of TFTA; - Mrs. Onanong Junhaman is a Director of TFTA.	2 TFTA provided flight attendant training to THAI - Total expenses - Account payable	0.08 0.45	0.00 0.00	0.00 0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Tour Eurng Luang Company Limited (Subsidiary Company)	THAI holds 49 % shares in Tour Eurng Luang Co., Ltd via WSC and with controlling authority.	1. THAI paid commission fees from the sale of Eurng Luang services to Tour Eurng Luang. - Total expenses - Account payable 2. THAI sold Eurng Luang tours to Tour Eurng Luang. - Total revenue - Account receivable	0.77 0.10 11.53 2.17	2.16 0.18 10.67 5.37	2.05 0.00 12.31 0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Thai Smile Airways Company Limited (Subsidiary Company)	THAI wholly owns Thai Smile Airways.	1. THAI bought Block Space and other services from Thai Smile Airways. - Total expenses - Account payable	61.57 6.76	3,943.73 130.91	2,995.72 490.16	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
	THAI's executive officers: - Mr. Chai Eamsiri is a Director of Thai Smile Airways; - Mr. Korakot Chatasingha is a Director of Thai Smile Airways; - Mrs. Chuntarica Jotikasthira is a Director of Thai Smile Airways; - Mrs. Cherdchome Therdsteerasukdi is a Director of Thai Smile Airways.	2. THAI provided aircraft rental, ground services, parking space, aircraft insurance premium, boarding passes, pilot training and catering to Thai Smile Airways. - Total revenue - Account receivable	88.55 10,096.83	3,911.55 10,353.67	3,346.78 10,885.92	- 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 six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Don Mueang International Airport Hotel Company Limited (Associated Company)	THAI holds 40% shares in Don Mueang International Airport Hotel. THAI's executive officers: - Mrs. Cherdchome Therdsteerasukdi is a Director of Don Mueang International Airport Hotel.	1. THAI bought hotel rooms for its passengers from Donmueang International Airport Hotel. - Total expenses	0.00	0.00	0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Phuket Air Catering Company Limited (PACCO) (Associated Company)	THAI holds 30% shares in PACCO. THAI's executive officers: - Mrs. Varangkana Luerojvong is a Director of PACCO; - Mr. Rut Rugsumruad is a Director of PACCO.	1. THAI bought catering services from PACCO. - Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	153.24 11.17 15.36 5.08	148.48 0.00 17.23 3.21	38.93 0.00 15.95 1.19	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.1

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the six months period ended June 30 , 2024	For the year ended December 31 , 2023	For the year ended December 31 , 2022	
Suvarnabhumi Airport Hotel Company Limited (Associated Company)	THAI holds 30% shares in Suvarnabhumi Airport Hotel. THAI's executive officer: - Mrs. Varangkana Luerojvong is a Director of Suvarnabhumi Airport Hotel; - Mr. Cherdphan Chotikhun is a Director of Suvarnabhumi Airport Hotel.	1. THAI bought hotel rooms for its passengers from Suvarnabhumi Airport Hotel. - Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	0.66 0.00 1.62 0.54	0.32 0.00 1.82 0.34	0.00 2.16 - -	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.1
Aeronautical Radio of Thailand Limited (AEROTHAI) (Joint-Venture Company)	AEROTHAI and THAI have a common major shareholder, namely MOF. THAI holds 0.55% shares in AEROTHAI. THAI's executive officers: - Mr. Chawan Ratanawaraha is a Director of AEROTHAI.	1. THAI bought navigation services and rented communication equipment from AEROTHAI - Total expenses - Account payable - Account payable under the rehabilitation plan - Deferred interests	576.08 0.00 72.68 31.16	713.56 0.00 94.89 8.95	438.31 107.31 - -	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Notes:

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

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

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

3. On October 20, 2022, the Central Bankruptcy Court ordered to approve the plan amendment of THAI’s rehabilitation plan for Group 6 Creditors, unsecured financial institution creditors, by changing their payment methods to convert debt to equity accordance with the amendment of business rehabilitation plan. For this reason, as of June 30, 2024, THAI adjusted the debt according to the order from the official receiver. Financial liabilities are re-measured to fair value using a discounted cash flow method using the market interest rate.

6.2 Necessity and reasonableness of related party transactions

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

6.3 Connected Transaction Approval Procedures

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

6.4 Future related party transaction policy

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