

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE PLAN ADMINISTRATOR
THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED**

We have reviewed the consolidated statement of financial position of Thai Airways International Public Company Limited and its subsidiaries (the “Group”) and the separate statement of financial position of Thai Airways International Public Company Limited (the “Company”) as at June 30, 2024, the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2024 and the related consolidated and separate statements of changes in shareholders’ equity and the related consolidated and separate statements of cash flows for the six-month period ended June 30, 2024, and the condensed notes to the financial statements. The Company’s management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, “Interim Financial Reporting”.

Emphasis of Matter

We draw attention to Notes 1 and 4 to the interim financial statements, the Company had submitted petition to the business rehabilitation and implemented the plan and the latest revised plan. The essential parts of business rehabilitation plan consist of capital restructuring, debt financing and capital mobilization, debt repayment of each class of the creditors, and completion of the plan. However, the achievements of the rehabilitation plan depend on the Company's ability to implement and rehabilitate according to all conditions as specified in the completion of business rehabilitation plan. Our conclusion is not modified in respect of this matter.

BANGKOK
August 8, 2024

Juntira Juntrachaichoat
Certified Public Accountant (Thailand)
Registration No. 6326
DELOITTE TOUCHE TOHMATSU JAIYS AUDIT CO., LTD.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2024

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at June 30, 2024 “Unaudited”	As at December 31, 2023	As at June 30, 2024 “Unaudited”	As at December 31, 2023
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6.1	56,254,708,332	52,939,463,396	55,847,846,816	52,359,257,744
Trade and other current receivables	5.2, 7	18,280,165,404	19,190,916,364	18,407,559,218	18,666,925,099
Inventories and supplies		5,260,436,776	5,253,829,658	5,260,436,776	5,221,302,754
Current tax assets		142,036,238	349,267,292	142,036,238	349,267,292
Other current financial assets	6.1, 8	25,492,533,715	14,190,615,215	25,342,496,000	14,090,577,500
Other current assets		366,091,623	49,346,375	365,960,116	49,346,375
Non-current assets classified as held for sale	9	3,211,704,554	2,102,577,841	3,211,704,554	2,102,577,841
Total Current Assets		109,007,676,642	94,076,016,141	108,578,039,718	92,839,254,605
NON-CURRENT ASSETS					
Other non-current financial assets		3,081,077,238	3,140,999,962	3,075,983,938	3,135,906,662
Investments in associates	10.1	601,025,870	574,690,186	383,334,000	383,334,000
Investments in subsidiaries	10.2	-	-	10,209,920	10,209,920
Property, plant and equipment	11	39,412,065,435	44,579,272,684	39,362,149,844	44,556,189,072
Right-of-use assets	12	78,514,767,954	65,047,852,604	78,491,484,434	65,042,183,223
Intangible assets		105,566,595	121,672,860	105,081,467	115,987,117
Deferred tax assets		10,997,137,035	10,994,809,615	10,987,712,303	10,987,712,303
Aircraft maintenance reserves	13	15,289,990,165	14,894,114,789	15,289,990,165	14,894,114,789
Other non-current assets	14	13,516,716,510	5,561,226,965	13,514,169,498	5,463,449,926
Total Non-current Assets		161,518,346,802	144,914,639,665	161,220,115,569	144,589,087,012
TOTAL ASSETS		270,526,023,444	238,990,655,806	269,798,155,287	237,428,341,617

See condensed notes to the financial statements

.....
(Mr.Chai Eamsiri)
Chief Executive Officer

.....
(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2024

UNIT : BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at June 30, 2024 “Unaudited”	As at December 31, 2023	As at June 30, 2024 “Unaudited”	As at December 31, 2023
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	5.2, 17	33,359,738,840	28,547,059,852	32,743,160,817	27,340,119,068
Deferred revenue		39,430,205,803	37,575,699,718	39,400,355,060	37,497,491,090
Current portion of leases liabilities	6.3, 16	9,662,315,537	7,186,755,767	9,651,599,992	7,180,322,067
Income tax payable		13,285,535	7,920,562	-	-
Accrued dividends		54,641,611	54,626,562	54,228,762	54,228,762
Other current liabilities		177,540,785	824,161,546	174,343,910	816,630,738
Total Current Liabilities		82,697,728,111	74,196,224,007	82,023,688,541	72,888,791,725
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	6.3, 15.1	8,527,408,550	8,398,920,948	8,527,408,550	8,398,920,948
Long-term borrowings from related parties	5.2, 6.3	25,470,841,433	24,931,759,206	25,470,841,433	24,931,759,206
Leases liabilities	6.3, 16	91,570,397,311	77,073,995,134	91,557,616,817	77,073,635,777
Debentures	6.3, 15.2	48,386,831,153	46,826,245,490	48,386,831,153	46,826,245,490
Trade and other non-current payables	5.2, 17	13,422,817,207	15,699,742,644	13,422,817,207	15,699,742,644
Staff pension fund	18	831,458,817	880,273,136	831,458,817	880,273,136
Non-current provisions for employee benefits	19	4,753,642,295	4,768,335,454	4,728,254,467	4,740,606,576
Other non-current provisions	20	35,275,890,104	29,340,225,624	35,275,890,104	29,340,225,624
Other non-current liabilities		19,228,482	17,414,882	-	-
Total Non-current Liabilities		228,258,515,352	207,936,912,518	228,201,118,548	207,891,409,401
TOTAL LIABILITIES		310,956,243,463	282,133,136,525	310,224,807,089	280,780,201,126

.....
(Mr.Chai Eamsiri)
Chief Executive Officer

.....
(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2024

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		June 30,	December 31,	June 30,	December 31,
		2024	2023	2024	2023
		“Unaudited”		“Unaudited”	
LIABILITIES AND SHAREHOLDERS’ EQUITY					
(CONTINUED)					
SHAREHOLDERS’ EQUITY					
SHARE CAPITAL					
Authorized share capital					
33,682.46 million ordinary shares par value					
of Baht 10 each					
		336,824,601,650	336,824,601,650	336,824,601,650	336,824,601,650
Issued and paid-up share capital					
2,182.77 million ordinary shares par value					
of Baht 10 each					
		21,827,719,170	21,827,719,170	21,827,719,170	21,827,719,170
Premium on ordinary shares					
		1,862,979,154	1,862,979,154	1,862,979,154	1,862,979,154
DEFICIT					
		(73,129,183,426)	(75,879,961,389)	(73,057,733,986)	(76,017,935,576)
Other components of shareholders’ equity					
		8,940,385,231	8,975,379,114	8,940,383,860	8,975,377,743
Equity attributable to owners of the Company					
(capital deficiency)					
		(40,498,099,871)	(43,213,883,951)	(40,426,651,802)	(43,351,859,509)
Non-controlling interests					
		67,879,852	71,403,232	-	-
TOTAL SHAREHOLDERS’ EQUITY					
(CAPITAL DEFICIENCY)					
		(40,430,220,019)	(43,142,480,719)	(40,426,651,802)	(43,351,859,509)
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY					
		270,526,023,444	238,990,655,806	269,798,155,287	237,428,341,617

See condensed notes to the financial statements

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(Mr.Chai Eamsiri)
Chief Executive Officer

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(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2024
“UNAUDITED”

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2024	2023	2024	2023
REVENUES	23.1, 23.2				
Revenues from sales or rendering services	21				
Passenger and excess baggage		36,088,237,600	31,125,259,964	36,088,237,600	28,350,063,436
Freight and mail		4,192,097,660	3,832,387,942	4,192,097,660	3,836,222,491
Other businesses		2,666,655,052	1,942,565,203	2,572,697,453	2,370,132,406
Total revenues from sales or rendering services		42,946,990,312	36,900,213,109	42,853,032,713	34,556,418,333
Other income					
Interest income		767,197,723	285,473,571	765,648,247	283,893,481
Gain on debt restructuring	4.2.1	855,413,614	941,839,798	855,413,614	941,839,798
Other income	22	313,080,302	199,455,934	285,302,179	118,265,614
Total other income		1,935,691,639	1,426,769,303	1,906,364,040	1,343,998,893
Total revenues		44,882,681,951	38,326,982,412	44,759,396,753	35,900,417,226
EXPENSES					
Aircraft fuel expenses		13,741,896,912	10,243,681,372	13,741,896,912	9,432,443,928
Employee benefits expenses		3,008,394,117	2,597,555,631	2,975,689,348	2,479,460,002
Flight service expenses		4,573,116,110	3,366,504,719	4,571,721,566	3,065,150,109
Crew expenses		1,212,677,243	999,947,860	1,212,677,243	900,515,890
Aircraft repair and maintenance costs		5,255,648,751	3,771,555,568	5,255,648,751	4,192,196,716
Depreciation and amortization expenses		3,254,699,082	2,764,645,210	3,246,672,987	2,564,624,629
Aircraft and spare parts rental fees		333,015,906	684,691,061	333,015,906	679,001,203
Inventories and supplies used expenses		1,698,354,665	1,344,445,959	1,698,354,665	1,268,533,383
Selling and advertising expenses		2,427,227,950	1,641,794,687	2,417,957,867	1,496,041,932
Loss from impairment of assets		732,054,744	1,259,334	732,054,744	1,259,334
Loss on foreign exchange rates - Net		1,023,028,474	3,329,720,968	1,021,255,933	2,930,438,589
Other expenses		2,526,797,826	1,558,350,876	2,523,897,026	1,377,390,671
Total expenses		39,786,911,780	32,304,153,245	39,730,842,948	30,387,056,386
PROFIT FROM OPERATING ACTIVITIES		5,095,770,171	6,022,829,167	5,028,553,805	5,513,360,840
Finance costs		4,795,471,735	3,966,520,041	4,795,128,988	3,774,257,996
(Reversal of) loss on impairment in accordance with TFRS 9		(5,214,987)	95,367,745	(184,468,824)	22,350,146
Share of profit from investments in associates		(14,780,068)	(4,916,969)	-	-
PROFIT BEFORE INCOME TAX (EXPENSE) INCOME		320,293,491	1,965,858,350	417,893,641	1,716,752,698
Income tax (expense) income		(5,813,649)	306,662,487	545	312,889,051
PROFIT FOR THE PERIODS		314,479,842	2,272,520,837	417,894,186	2,029,641,749

.....
(Mr.Chai Eamsiri)
Chief Executive Officer

.....
(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2024
“UNAUDITED”

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2024	2023	2024	2023
OTHER COMPREHENSIVE INCOME (LOSS)					
Items that will not be reclassified subsequently to profit or loss					
Loss (gain) on remeasuring equity securities at fair value through other comprehensive income		2,725	(10,986,612)	2,725	(10,986,695)
Income tax related to investment in equity designated at fair value through other comprehensive income		(545)	2,197,322	(545)	2,197,339
Total components of other comprehensive income that will not be reclassified subsequently to profit or (loss)		2,180	(8,789,290)	2,180	(8,789,356)
Other comprehensive income (loss) for the periods - net of tax		2,180	(8,789,290)	2,180	(8,789,356)
TOTAL COMPREHENSIVE INCOME FOR THE PERIODS		314,482,022	2,263,731,547	417,896,366	2,020,852,393
Profit attributable to :					
Owners of the parent company		306,138,093	2,261,898,940	417,894,186	2,029,641,749
Non-controlling interests		8,341,749	10,621,897	-	-
		314,479,842	2,272,520,837	417,894,186	2,029,641,749
Total comprehensive income attributable to :					
Owners of the parent company		306,140,273	2,253,109,650	417,896,366	2,020,852,393
Non-controlling interests		8,341,749	10,621,897	-	-
		314,482,022	2,263,731,547	417,896,366	2,020,852,393
Profit per share :					
Number of ordinary shares (shares)		2,182,771,917	2,182,771,917	2,182,771,917	2,182,771,917
Basic earnings per share (Baht per share)		0.14	1.04	0.19	0.93

See condensed notes to the financial statements

.....
(Mr.Chai Eamsiri)
Chief Executive Officer

.....
(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024
“UNAUDITED”

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		2024	2023	2024	2023
REVENUES	23.1, 23.2				
Revenues from sales or rendering services	21				
Passenger and excess baggage		78,741,401,380	66,103,293,951	78,741,401,380	60,303,772,031
Freight and mail		7,953,818,026	8,195,405,402	7,953,818,026	8,199,243,466
Other businesses		5,268,731,492	3,902,750,477	5,097,148,948	4,812,689,404
Total revenues from sales or rendering services		91,963,950,898	78,201,449,830	91,792,368,354	73,315,704,901
Other income					
Interest income		1,359,394,520	394,180,983	1,356,983,078	392,254,117
Gain on debt restructuring	4.2.1	1,347,888,546	3,581,592,977	1,347,888,546	3,581,592,977
Other income	22	795,665,536	659,320,515	784,712,277	564,839,867
Total other income		3,502,948,602	4,635,094,475	3,489,583,901	4,538,686,961
Total revenues		95,466,899,500	82,836,544,305	95,281,952,255	77,854,391,862
EXPENSES					
Aircraft fuel expenses		26,668,319,079	22,295,510,864	26,668,319,079	20,492,366,104
Employee benefits expenses		5,515,230,643	4,870,348,642	5,462,521,538	4,636,854,468
Flight service expenses		8,685,337,945	6,564,926,065	8,682,692,024	5,992,380,595
Crew expenses		2,330,524,265	1,989,195,110	2,329,197,901	1,781,042,998
Aircraft repair and maintenance costs		10,518,971,601	6,396,916,781	10,518,971,601	6,737,548,912
Depreciation and amortization expenses		6,220,913,371	5,302,639,993	6,209,829,280	4,922,731,517
Aircraft and spare parts rental fees		565,308,864	1,352,366,001	565,308,864	1,342,476,705
Inventories and supplies used expenses		3,580,157,417	2,702,123,909	3,579,172,172	2,547,927,655
Selling and advertising expenses		4,412,808,833	3,162,001,124	4,396,439,155	2,815,250,874
Loss from impairment of assets		4,069,600,035	66,370,638	4,069,600,035	66,370,638
Loss on foreign exchange rates - Net		6,395,061,162	3,214,279,711	6,400,680,851	2,798,805,603
Other expenses		4,459,706,166	2,875,550,163	4,386,314,320	2,628,438,210
Total expenses		83,421,939,381	60,792,229,001	83,269,046,820	56,762,194,279
PROFIT FROM OPERATING ACTIVITIES		12,044,960,119	22,044,315,304	12,012,905,435	21,092,197,583
Finance costs		9,403,063,442	7,515,009,248	9,402,583,042	7,124,581,962
(Reversal of) loss on impairment in accordance with TFRS 9		(58,106,660)	120,493,412	(314,760,589)	428,236,917
Share of profit from investments in associates		(51,158,955)	(28,897,429)	-	-
PROFIT BEFORE INCOME TAX (EXPENSE) INCOME		2,751,162,292	14,437,710,073	2,925,082,982	13,539,378,704
Income tax (expense) income		(13,305,717)	357,724,344	24,945	369,139,995
PROFIT FOR THE PERIODS		2,737,856,575	14,795,434,417	2,925,107,927	13,908,518,699

.....
(Mr.Chai Eamsiri)
Chief Executive Officer

.....
(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024
“UNAUDITED”

UNIT : BAHT

Notes	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2024	2023	2024	2023
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss				
Loss (gain) on remeasuring equity securities at fair value through other comprehensive income	124,725	(12,416,459)	124,725	(12,416,543)
Income tax related to investment in equity designated at fair value through other comprehensive income	(24,945)	2,483,292	(24,945)	2,483,309
Total components of other comprehensive income that will not be reclassified subsequently to profit or (loss)	<u>99,780</u>	<u>(9,933,167)</u>	<u>99,780</u>	<u>(9,933,234)</u>
Other comprehensive income (loss) for the periods - net of tax	<u>99,780</u>	<u>(9,933,167)</u>	<u>99,780</u>	<u>(9,933,234)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIODS	<u>2,737,956,355</u>	<u>14,785,501,250</u>	<u>2,925,207,707</u>	<u>13,898,585,465</u>
Profit attributable to :				
Owners of the parent company	2,715,684,300	14,775,850,723	2,925,107,927	13,908,518,699
Non-controlling interests	22,172,275	19,583,694	-	-
	<u>2,737,856,575</u>	<u>14,795,434,417</u>	<u>2,925,107,927</u>	<u>13,908,518,699</u>
Total comprehensive income attributable to :				
Owners of the parent company	2,715,784,080	14,765,917,556	2,925,207,707	13,898,585,465
Non-controlling interests	22,172,275	19,583,694	-	-
	<u>2,737,956,355</u>	<u>14,785,501,250</u>	<u>2,925,207,707</u>	<u>13,898,585,465</u>
Profit per share :				
Number of ordinary shares (share)	2,182,771,917	2,182,771,917	2,182,771,917	2,182,771,917
Basic earnings per share (Baht per share)	1.24	6.77	1.34	6.37

See condensed notes to the financial statements

.....
(Mr.Chai Eamsiri)
Chief Executive Officer

.....
(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024
“UNAUDITED”

UNIT : BAHT

	Consolidated financial statements							Non-controlling interests	Total shareholders' equity
	Equity to owner of the shareholders' equity						Equity attributable to owners of the parent company		
	Issued and paid-up share capital	Premium on ordinary shares	Deficit	Other components of shareholders' equity					
				Other comprehensive income (loss)					
				Surplus on revaluation assets - net of tax	Gain (Loss) on remeasuring equity securities at fair value through other comprehensive income	Total other components of shareholders' equity			
For the six-month period ended June 30, 2023									
Balance as at January 1, 2023	21,827,719,170	1,862,979,154	(103,848,403,956)	9,031,404,655	43,588,022	9,074,992,677	(71,082,712,955)	58,076,529	(71,024,636,426)
Changes in shareholders' equity									
Dividends paid	-	-	-	-	-	-	-	(13,499,200)	(13,499,200)
Dividends paid to cumulative preferred shares	-	-	-	-	-	-	-	(45,565)	(45,565)
Transfer surplus from revaluation assets sold	-	-	34,996,460	(34,996,460)	-	(34,996,460)	-	-	-
Total comprehensive income (loss) for the period	-	-	14,775,850,723	-	(9,933,167)	(9,933,167)	14,765,917,556	19,583,694	14,785,501,250
Balance as at June 30, 2023	21,827,719,170	1,862,979,154	(89,037,556,773)	8,996,408,195	33,654,855	9,030,063,050	(56,316,795,399)	64,115,458	(56,252,679,941)
For the six-month period ended June 30, 2024									
Balance as at January 1, 2024	21,827,719,170	1,862,979,154	(75,879,961,389)	8,960,831,684	14,547,430	8,975,379,114	(43,213,883,951)	71,403,232	(43,142,480,719)
Changes in shareholders' equity									
Dividends paid	-	-	-	-	-	-	-	(25,650,006)	(25,650,006)
Dividends paid to cumulative preferred shares	-	-	-	-	-	-	-	(45,649)	(45,649)
Transfer surplus from revaluation assets sold	-	-	35,093,663	(35,093,663)	-	(35,093,663)	-	-	-
Total comprehensive income for the period	-	-	2,715,684,300	-	99,780	99,780	2,715,784,080	22,172,275	2,737,956,355
Balance as at June 30, 2024	21,827,719,170	1,862,979,154	(73,129,183,426)	8,925,738,021	14,647,210	8,940,385,231	(40,498,099,871)	67,879,852	(40,430,220,019)

See condensed notes to the financial statements

.....
(Mr.Chai Eamsiri)
Chief Executive Officer

.....
(Mrs.Cherdchome Therdsteeasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024

“UNAUDITED”

UNIT : BAHT

	Issued and paid-up share capital	Premium on ordinary shares	Deficit	Separate financial statements			Total shareholders' equity
				Other components of shareholders' equity			
				Other comprehensive income (loss)			
				Surplus on revaluation assets - net of tax	Gain (loss) on remeasuring equity securities at fair value through other comprehensive income	Total other components of shareholders' equity	
For the six-month period ended June 30, 2023							
Balance as at January 1, 2023	21,827,719,170	1,862,979,154	(96,236,279,466)	9,031,404,655	20,928,504	9,052,333,159	(63,493,247,983)
Changes in shareholders' equity							
Transfer surplus from revaluation assets sold	-	-	34,996,460	(34,996,460)	-	(34,996,460)	-
Total comprehensive income (loss) for the period	-	-	13,908,518,699	-	(9,933,234)	(9,933,234)	13,898,585,465
Balance as at June 30, 2023	21,827,719,170	1,862,979,154	(82,292,764,307)	8,996,408,195	10,995,270	9,007,403,465	(49,594,662,518)
For the six-month period ended June 30, 2024							
Balance as at January 1, 2024	21,827,719,170	1,862,979,154	(76,017,935,576)	8,960,831,684	14,546,059	8,975,377,743	(43,351,859,509)
Changes in shareholders' equity							
Transfer surplus from revaluation assets sold	-	-	35,093,663	(35,093,663)	-	(35,093,663)	-
Total comprehensive income for the period	-	-	2,925,107,927	-	99,780	99,780	2,925,207,707
Balance as at June 30, 2024	21,827,719,170	1,862,979,154	(73,057,733,986)	8,925,738,021	14,645,839	8,940,383,860	(40,426,651,802)

See condensed notes to the financial statements

.....

(Mr.Chai Eamsiri)
Chief Executive Officer

.....

(Mrs.Cherdchome Therdsteerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024

“UNAUDITED”

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2024	2023	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the periods		2,737,856,575	14,795,434,417	2,925,107,927	13,908,518,699
Adjustment to reconcile profit and loss					
Income tax (income) expenses		13,305,717	(357,724,344)	(24,945)	(369,139,995)
Depreciation and amortization expenses		6,220,913,371	5,302,639,993	6,209,829,280	4,922,731,517
Dividend received		(7,128)	(6,176)	(54,404,358)	(17,094,176)
Share of profit from investments in associates		(51,158,955)	(28,897,429)	-	-
Interest income		(1,359,394,520)	(394,180,983)	(1,356,983,078)	(392,254,117)
Finance costs		9,403,063,442	7,515,009,248	9,402,583,042	7,124,581,962
Gain on disposal of assets	22	(46,924,526)	(366,105,019)	(47,039,365)	(366,104,909)
Gain on sales of investments		(282,345)	(2,510)	(282,345)	(2,510)
Unrealized loss on foreign exchange rates - net		5,977,605,874	1,080,506,536	5,978,184,426	1,646,472,088
(Gain) loss arising from financial asset designated at fair value through profit or loss		78,269,631	(12,975,900)	78,269,631	(12,975,900)
Staff pension fund expenses	18	44,195,017	54,055,142	44,195,017	54,055,142
Employee benefits expenses	19	162,469,485	152,307,772	157,532,138	153,881,657
Long-term aircraft repair and maintenance costs		3,679,204,654	1,445,046,870	3,679,204,654	1,936,864,588
(Reversal of) loss on inventories and supplies obsolescence		245,813,001	(6,647,347)	245,813,001	(6,647,347)
(Reversal of) loss on impairment in accordance with TFRS 9		(58,106,660)	120,493,412	(314,760,589)	428,236,917
Gain on termination of lease contracts		(142,853,023)	(1,675,163,347)	(142,900,870)	(1,675,163,347)
Loss on write off assets		38	336,262	38	336,262
Gain on debt restructuring		(1,347,888,546)	(3,581,592,977)	(1,347,888,546)	(3,581,592,977)
Loss on impairment of assets		4,069,600,035	66,370,638	4,069,600,035	66,370,638
Profit from operating before changes in operating assets and liabilities		29,625,681,137	24,108,904,258	29,526,035,093	23,821,074,192
Operating assets decrease (increase)					
Trade and other current receivables		496,341,697	(894,656,455)	524,658,516	(815,104,620)
Inventories and supplies		(284,947,023)	(221,194,885)	(284,947,023)	(222,007,236)
Other current assets		(320,190,869)	305,367,545	(316,613,741)	133,741,085
Other non-current financial assets		(15,315,518)	(16,967,578)	(15,315,518)	(16,967,578)
Lease receivables		-	-	-	296,855,730
Aircraft maintenance reserves		627,175,775	(483,898,027)	627,175,775	(415,840,225)
Other non-current assets		(135,550,580)	(1,668,139,174)	(135,550,580)	(1,668,587,928)

(Mr.Chai Eamsiri)
Chief Executive Officer

(Mrs.Cherdchome Therdsteeerasukdi)
Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024

“UNAUDITED”

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2024	2023	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Operating liabilities increase (decrease)					
Trade and other current payables		8,502,896	2,496,169,598	31,996,408	2,130,520,210
Deferred revenues		1,789,305,335	759,783,274	1,903,212,881	653,219,931
Other current liabilities		(776,125,901)	322,309,445	(776,030,578)	322,309,445
Staff pension fund		(91,391,258)	(47,169,385)	(91,391,258)	(47,169,385)
Cash paid for employee benefits	19	(176,396,687)	(99,049,629)	(169,884,247)	(98,919,629)
Other non-current liabilities		1,749,234	48,907,207	-	48,037,525
Net cash provided by operations		30,748,838,238	24,610,366,194	30,823,345,728	24,121,161,517
Income tax paid		(158,550,994)	(190,924,346)	(142,036,238)	(175,008,532)
Income tax refund		325,386,041	199,243,089	325,386,041	199,243,089
Net cash flows provided by operating activities		30,915,673,285	24,618,684,937	31,006,695,531	24,145,396,074
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash paid for purchasing other current financial assets		(10,400,509,500)	(3,352,930,500)	(10,350,509,500)	(3,302,930,500)
Cash received from sales of investments		1,282,345	2,510	1,282,345	2,510
Cash paid for purchasing of property, plant and equipment		(1,955,133,120)	(2,449,335,981)	(1,955,036,723)	(2,436,590,302)
Cash paid for purchasing of intangible assets		-	(7,930,941)	-	-
Cash received from sales of assets		576,607,427	938,588,264	576,607,427	938,587,984
Cash paid for pre-delivery payment for aircraft procuring	14	(7,974,428,850)	-	(7,974,428,850)	-
Deposits received from sale of assets		128,597,120	43,647,616	128,597,120	43,647,616
Interest income		1,213,705,529	358,096,266	1,213,705,529	356,579,128
Dividend received		23,967,836	6,176	22,466,358	17,094,176
Net cash flows used in investing activities		(18,385,911,213)	(4,469,856,590)	(18,337,316,294)	(4,383,609,388)
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for short-term borrowings					
from a related party	6.3	-	(39,000,000)	-	-
Cash paid for long-term borrowings					
from a related party	6.3	-	(453,754,166)	-	(453,754,166)
Cash paid for lease liabilities	6.3	(9,482,493,322)	(3,981,550,822)	(9,474,431,570)	(3,976,691,237)
Cash paid for interest expenses of debentures	6.3	(534,094,658)	-	(534,094,658)	-
Dividends of subsidiaries paid to non-controlling interests		(25,665,216)	(13,515,216)	-	-
Net cash flows used in financing activities		(10,042,253,196)	(4,487,820,204)	(10,008,526,228)	(4,430,445,403)
Net increase in cash and cash equivalents					
before effect of foreign exchange rate		2,487,508,876	15,661,008,143	2,660,853,009	15,331,341,283
Effects from unrealized foreign exchange rate changes on					
cash and cash equivalents		828,574,671	963,620,814	828,574,674	961,124,460
Effects from reversals of credit loss on cash and cash equivalents		(838,611)	(11,359,441)	(838,611)	(11,359,441)
Cash and cash equivalents as at January 1,	6.1	52,939,463,396	34,539,793,772	52,359,257,744	34,042,074,166
Cash and cash equivalents as at June 30,	6.1	56,254,708,332	51,153,063,288	55,847,846,816	50,323,180,468

See condensed notes to the financial statements

(Mr.Chai Eamsiri)

Chief Executive Officer

(Mrs.Cherdchome Therdsteeerasukdi)

Chief, Finance and Accounting

**THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2024 (UNAUDITED)**

1. GENERAL INFORMATION AND OPERATION

Thai Airways International Public Company Limited (the “Company”) was registered as a Public Limited Company in Thailand and listed on the Stock Exchange of Thailand on July 19, 1991. The registered address is located at 89 Vibhavadee Rungsit Road, Chom Phon Sub-district, Chatuchak District, Bangkok, Thailand.

As at June 30, 2024 and December 31, 2023, the Company’s major shareholder and ultimate parent company is the Ministry of Finance by holding 47.86% of the Company’s issued and paid-up shares.

The Company’s principal activities are the operation of airline business and business units which related directly with transportation. As at June 30, 2024, the Company had the routes network servicing to 59 destinations in 24 countries all over the world, whereas 8 destinations were domestic (excluding Bangkok).

On May 26, 2020, the Company submitted a petition to enter into a business rehabilitation process and proposed the rehabilitation planner (“the Planners”) to the Central Bankruptcy Court and on May 27, 2020, the Central Bankruptcy Court issued an order to accept the business rehabilitation petition for further consideration. Subsequently, on June 15, 2021, the Central Bankruptcy Court issued an order to approve the business rehabilitation plan and the amendment petitions in accordance with the resolution of the Creditors’ Meeting on May 19, 2021. As a result, the nomination of the Plan Administrator, whose names were proposed according to the business rehabilitation plan and the amendment petitions became the Plan Administrators. The 2 of the Plan Administrators are authorized to jointly sign to bind the Company. The Plan Administrators are authorized to operate the business, manage the Company’s assets, and implement the business rehabilitation plan. The essential parts of the business rehabilitation plan, are capital restructuring, debt repayments of each class of the creditors, and the completion of the business rehabilitation plan.

Subsequently, on July 1, 2022, the Plan Administrator submitted the petition for plan amendment to the Official Receiver. On September 1, 2022, the Official Receiver arranged the Creditors’ Meeting and the Creditors accepted the proposal for plan amendment. Finally, October 20, 2022, the Central Bankruptcy Court issued an order approving on proposal for plan amendment. The details of the revision of the business rehabilitation plan are disclosed in Note 4.

During the years 2020 to 2022, the Company had submitted petition to the business rehabilitation and implemented the plan and the latest revised plan, which was approved on October 20, 2022 as disclosed in Note 4.

As at June 30, 2024, the Company and its subsidiaries (collectively called the “Group”) and the Company have the capital deficiency in the consolidated and separate financial statements of Baht 40,498 million and Baht 40,427 million, respectively. However, the Company’s management believes that the preparation of financial statements on going concern basis is still appropriate because the Company is in the process of business rehabilitation. During this period, the Company is able to continue its necessary activities for operation as usual in order to enable the Company to continue as a going concern for at least 12 months from the date in the statements of financial position. The Company’s ability to continue as going concern is subjected to ability to implement the plan and to rehabilitate according to all conditions as specified in the business rehabilitation plan. Moreover, the business operation should be appropriately managed in term of flight route planning, the number of flights and management of aircraft in the fleet in responding to such situation being under recovery of the airline business in order to maintain the appropriate financial liquidity.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to the interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements. In the event of any conflict or different interpretation in the two languages, the Thai version of the financial statements, in accordance with Thai laws will prevail.

2.2 The consolidated and separate statements of financial position as at December 31, 2023, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended, which had been audited.

2.3 The unaudited results of operations presented in the statement of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2024 are not necessarily an indication nor anticipation of the operating results for the full year.

2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards (“TFRS”), but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month periods ended June 30, 2024 should be read in conjunction with the financial statements for the year ended December 31, 2023 which had been audited.

- 2.5 In the preparation of interim financial statements in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, the Company requires management to make judgments that affect the application of accounting policies, estimates and assumptions affecting the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the period. Although these estimates are based on management’s reasonable consideration of current events, actual results may differ from these estimates.
- 2.6 Material intercompany transactions between the Company and its subsidiaries have been eliminated from the interim consolidated financial statements. The subsidiaries are as follows:

Company’s Name	Type of business	Main location of incorporation	Ownership Percentage	
			As at June 30, 2024	As at December 31, 2023
Held by the Company				
Thai-Amadeus Southeast Asia Company Limited	Information technology for travel services	Thailand	55	55
WingSpan Services Company Limited	Providing specialized personnel services to the Company	Thailand	49 ⁽¹⁾	49 ⁽¹⁾
Thai Smile Airways Company Limited	Air transportation services ⁽²⁾	Thailand	100	100
Held by the Company and the subsidiary				
Thai Flight Training Company Limited	Aviation training services	Thailand	74	74
Held by the subsidiary of the Company				
A subsidiary held by WingSpan Services Company Limited				
Tour Eurng Luang Company Limited	Tourism Business	Thailand	49 ⁽¹⁾	49 ⁽¹⁾

⁽¹⁾ The Group has interest in the ownership and voting rights in these companies, more than one half in accordance with the Articles of Association of these companies and has control and command over the relevant operating and financing activities of such companies. Therefore, the Group classifies these companies as subsidiaries of the Group in accordance with Thai Financial Reporting Standard No. 10 “Consolidated financial statements”.

⁽²⁾ On January 5, 2024, Thai Smile Airways Company Limited completed the transferring under the restructuring of the aviation business operation of the Company and ceased its operation. The Company is under feasibility process as to operate in other business. However, Thai Smile Airways Company Limited does not have a clear operation plan, at present.

- 2.7 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Group has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, which the changes are to amend the accounting requirements, as follows:

- Thai Accounting Standard No.1 “Presentation of Financial Statements”, require to disclose the material accounting policy information.

- Thai Accounting Standard No.8 “Accounting Policies, Changes in Accounting Estimates and Errors”, amend the definition of accounting estimates.
- Thai Accounting Standard No.12 “Income Taxes”, add the requirements for the initial recognition of deferred tax which give rise to equal taxable and deductible temporary differences, and also add the exemption for the deferred tax recognition related to International Tax Reform - Pillar Two Model.

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

2.8 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

Thai Financial Reporting Standard No.17 “Insurance Contracts” which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards, establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”. The Group does not have accounting transaction which should be adopted this Financial Reporting Standard.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim consolidated and separate financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2023.

4. REHABILITATION PLANS

4.1. Essential parts of the business rehabilitation plan

Summary of essential parts of the business rehabilitation plan were as follows:

4.1.1 Capital Restructuring

The capital restructuring can be summarized as follows:

- (1) The Company will increase its registered capital for an amount up to Baht 216,773,146,220 by issuing newly ordinary shares up to 21,677,314,622 shares with the par value of Baht 10 per share. The Company will allocate the newly issued ordinary shares as follows:
 - (a) To allot newly issued ordinary shares, not exceeding 4,911,236,813 shares with the par value of Baht 10 per share, for supporting the exercise of the right of a new financial supporter to purchase them in accordance with the Share Option agreement at the price of Baht 2.5452 per share.

In the case that there is remaining newly issued ordinary shares prescribed (a), in any case, the remaining newly issued ordinary shares shall be allocated to Creditor Class 5 Financial Institution Creditors assigned to receive residual proceeds from the disposal of aircraft, Creditor Class 6 Unsecured Financial Institution Creditors, and Creditors Class 18-31 Bond Creditor. These Creditors can express the intention to exercise the right to convert their existing debt of the Creditors under the business rehabilitation plan into the newly issued ordinary shares up to the amount that each Creditor is entitled to for debt repayment from cash flow under the business rehabilitation plan at the price of Baht 2.5452 per share. In the case that Class 5 Creditor, Class 6 Creditor, and Class 18-31 Creditor exercise the right to convert the existing debt of the creditor under the business rehabilitation plan exceeding the newly issued ordinary shares, which can be allotted, the allocation and sale of the Company's newly issued ordinary shares shall be on a pro rata basis. However, in the case that Class 5 Creditor, Class 6 Creditor and Class 18-31 Creditor do not exercise the said right or exercise the said right not to the full amount of the remaining newly issued ordinary shares, the remaining share shall be further allocated.

- (b) To allot newly issued ordinary shares, not exceeding 14,862,369,633 shares with the par value of Baht 10 per share, for the debt repayment to the Creditors under the business rehabilitation plan by conversion of the debt to the newly issued ordinary shares under the following conditions:
- To repay the outstanding principals of Class 4 Creditor of Baht 12,827,461,287 by conversion of this debt into the newly issued ordinary shares, not exceeding 5,039,896,007 shares, at Baht 2.5452 per share.
 - To repay the outstanding principals of Class 5 Creditor, Class 6 Creditor and Class 18-31 Creditor at 24.50% of the principal of each Creditor in accordance with the Final Debt Repayment Order, by the newly issued ordinary shares, not exceeding 9,822,473,626 shares, at Baht 2.5452 per share.
- (c) To allot the newly issued ordinary shares, not exceeding 1,903,608,176 shares with the par value of Baht 10 per share, for support the exercise of the right to convert the suspended new interest of the Class 4 Creditor, Class 5 Creditor, Class 6 Creditor, and Class 18-31 Creditor into the newly issued ordinary share at Baht 2.5452 per share.

(2) The Company will increase registered capital, up to Baht 98,224,736,260 by newly issue ordinary shares not exceeding 9,822,473,626 shares with the par value of Baht 10 per share, for the allocation and sale of the Company's newly issued ordinary shares to the existing shareholder as per their proportion of shares. The allocation and sale will not be made to the shareholder, who will create liability to the Company under foreign laws (Preferential Public Offering - "PPO") at the price that the Plan Administrator consider approve but the price must not be lower than Baht 2.5452 per share, in order to receive share receiving, not less than Baht 25,000,000. However, the Company is required to offer the newly issue ordinary shares to the existing shareholders, not less than 228,108,476 shares, as to maintain the proportion of the existing shareholder to not be lower than 10% of the paid registered capital after the capital restructuring. This is one of the criteria on which the Company can be traded on the stock exchange again and in accordance with the guideline for resolving the revocation of ordinary share from being registered securities in the Stock Exchange of Thailand. In the case that no existing shareholder exercises the right to purchase the newly issue ordinary shares, or the existing shareholder do not purchase it in the full amount, the remaining shares shall be sold to people as sequence the following:

1. Employee Stock Option Program ("ESOP") at the time of the sale and at the same price as offered to the existing shareholder under this clause.
2. In the case that the Company's employee does not purchase the full amount of the remaining newly issued ordinary shares from the allotment and sale to the existing shareholder, the remaining shares shall be sold in Private Placement ("PP") at the same price as offered to the existing shareholder under this clause.
3. Allotment and sale of the newly issued ordinary shares to the new facility providers, debt-to-equity conversion of the existing Creditors, and the Preferential Public Offering ("PPO") and/or Employee Stock Option Program ("ESOP") and/or Private Placement ("PP") must be completed by December 31, 2024.

4.1.2 Debt financing and capital mobilization, including source of funds and conditions of such debt and capital

The amendment of this part where the new facility amount is decreased to not exceeding Bath 25,000 million, which will be used as working capital, costs for normal operation, capital expenditure for the Company and its subsidiaries, maintenance of the Company's assets, maintenance and development of internal management system, information technology and commercial systems, and adjustment of aircraft fleet in accordance with the market situation and airline business which may be changed. In additional, the Plan Administrator has an authority for the debt financing as it sees fits and necessary for the Company's business operation. The debt financing will be as follows:

- Long-term loan up to 6 years and/or a bond with maturity period not less than 6 years, for the amount up to Baht 12,500 million.
- Revolving facility and/or bond with maturity period less than 6 years, for the amount up to Baht 12,500 million.

4.1.3 Debt repayment of each class of the Creditors

The business rehabilitation plan classified the Creditors into 36 groups, consisting of 1 group of secured Creditors and 35 groups of unsecured Creditors. Each class of the Creditors had different payment methods, terms, debt repayment periods and related interests as specified in the business rehabilitation plan. Such debt may alter, depending on the Final Order for debt repayment from the Official Receiver and/or the Court (as the case may be) and the business rehabilitation plan specified the debt repayment shall be made in compliance with the Final Order of the Official Receiver, the Central Bankruptcy Court, the Court of Appeal for Specialized Case, or the Supreme Court (as the case may be).

Moreover, interest arising from loans from certain groups of Creditors and debentures during the first 3 years from the date of the Court's Order approving the business rehabilitation plan will be suspended ("new suspended interest"), whereby the Creditor can choose to convert such new suspended interest to the Company's ordinary shares. The debt-to-equity conversion rate is at price Baht 2.5452 per share according to the conditions as specified in the business rehabilitation plan.

Debt repayment methods

- (1) Class 1 Secured Creditors (Only the Creditors who has THAI's asset as a collateral under business security contract)

The amendment of this part is an adding the debt repayment methods, at first the Company had to sell the collateralized aircraft, in order to repay the debt only, by this amendment, the Company shall have additional right to repay the debt from cash flow, which received from the business operation. This will allow the Company to return the collateralized aircraft for using in business operation, if it is appropriate and create benefit to the Company in overall.

- (2) Class 4 Loan creditors from major shareholders that are not financial institutions

The amendment of this part is a change of debt repayment methods to Class 4 Creditors from at first the repayment will be made to them by cash until the payment is made in full in the 12th year of the business rehabilitation plan, change to the repayment by means of debt-to-equity conversion of the whole principal at Baht 2.5452 per share, and the repayment will be made within the year 2024.

- (3) Class 5 Financial institution Creditors assigned to receive residual proceeds from the disposal of aircraft, Class 6 Unsecured Financial Institution Creditors, and Creditors No. 18 - 31 Bond Creditor

The amendment of this part is a change of debt repayment methods, from at first, they will be repaid by cash in full in the year 12th to 15th of the business rehabilitation plan (depending on the class of creditors), change to the repayment by methods of a conversion of the principal under the business rehabilitation plan for 24.50% of each Creditors' outstanding debt according to the Final Debt Repayment Order to the newly issued ordinary share, at Baht 2.5452 per share, and the repayment will be made within the year 2024. The remain outstanding debt will be repaid by the cash flow as specified periods in the business rehabilitation plan, which the Court already approved. Furthermore, the amendment stipulates that the Creditors shall be entitled to an interest of the outstanding principal which will be repaid by a debt-to-equity conversion to a newly issued ordinary share, during the period that the debt-to-equity conversion has not yet been made. The interest rate will be an average of a new interest rate under the business rehabilitation plan, which the Court already approved. Moreover, the amendment added a new interest rate from the outstanding principal which will be repaid by the case flow in the second half of the year 13th of the business rehabilitation plan until the payment is made in full (for Class 5 and Class 6 Creditors) and in the last two year of the maturity period of bonds under the business rehabilitation plan (for the Class 18 - 31Creditors) by adding the interest at the rate of 0.25% per annum to the original rate.

- (4) Class 9 Ticket refund Creditors

The amendment of this part is a detail adding on the ticket refund procedure and the refundable amount in accordance with the value recorded in the Company's system in which is an actual value that the Company earned by selling such ticket, and to be in consistent with the Company's practice in business operation. The debt repayment period remains the same as specified in the business rehabilitation plan which the Court already approved which are every ticket refund creditor will be repaid by March 31, 2024.

4.1.4 Business rehabilitation plan completion

The rehabilitation process of the Company shall be considered as completion, when archived all conditions as follows:

- (1) The Company registers the capital increase as specified conditions stated in the business rehabilitation plan.
- (2) The Company implements the business rehabilitation plan without any default.
- (3) The Company has Earnings Before Interest, Tax, Depreciation, and Amortization (“EBITDA”) from operation after deducting cash outflow for aircraft lease liabilities repayment under the aircraft lease agreement, not less than Baht 20,000 million for 12 months before reporting of successful outcome of the business rehabilitation plan being reported to the Court and the shareholder’s equity is positive and
- (4) The Company appoints new directors, in case there are any changes in shareholders as specified conditions, as stipulated in the business rehabilitation plan.

4.2 Implementation of the business rehabilitation plan

4.2.1 Impact on the financial statements from the implementation of the business rehabilitation plan

After the Central Bankruptcy Court had issued an order to approve the business rehabilitation plan and the amendment petitions in accordance with the resolution of the Creditor’ Meeting held on May 19, 2021. The Company processed the adjustment of debt restructuring by the Orders received from the Official Receiver.

On July 8, 2021, the Plan Administrator’s Meeting No. 5/2021 passed the resolution to approve the decrease of registered share capital of Baht 26,989,009,500 to Baht 21,827,719,170 by writing off the unissued and unsold share of 516,129,033 shares, as stipulated in the business rehabilitation plan. The Company submitted a petition to the Central Bankruptcy Court for requesting the Central Bankruptcy Court’s approval to the Plan Administrators to decrease the Company’s registered share capital and completed the registration with the Department of Business Development, Ministry of Commerce, on August 17, 2021.

For financial liabilities measured at amortized cost, using the effective interest method and determined whether there is material difference between pre-adjusted and post-adjusted of financial liabilities. Financial liabilities with material differences will recognize as the new financial liabilities at fair value by discount cash flow method, using market rate. Different amount between carrying amount of original financial liabilities and present value of new financial liabilities will be recognized as a gain on debt restructuring in the statement of profit or loss and other comprehensive income. If such new financial liabilities do not have material difference, the Company will recognize the modified financial liabilities by discount cash flow, using original effective interest rate. The difference is recognized as a gain on debt restructuring in the statement of profit or loss and other comprehensive income.

Value of assets and liabilities have been adjusted in accordance with the business rehabilitation plan as follows:

	Unit : Million Baht			
	Consolidated and separate financial statements			
	For the three-month periods end June 30		For the six-month periods end June 30	
	2024	2023	2024	2023
Gain on derecognition of financial liabilities measured at amortized costs	898 ⁽²⁾	675 ⁽²⁾	1,616 ⁽²⁾	1,142 ⁽²⁾
Loss from liability adjustments in accordance with the Orders from the Official Receiver	(43) ⁽¹⁾	(78) ⁽¹⁾	(272) ⁽¹⁾	(88) ⁽¹⁾
Gain from terminations of onerous contracts	-	345 ⁽³⁾	4 ⁽³⁾	2,528 ⁽³⁾
Total	855	942	1,348	3,582

- (1) As at June 30, 2024 and 2023, the Company received the Orders from the Official Receiver to pay debt to certain trade payables and other payables. The Company adjusted trade payable and other payable according to principal debt, maturity date and interest rate in accordance with the business rehabilitation plan and the Orders from the Official Receiver (see Note 17), resulting the Company recognized a loss from liability adjustments in accordance with the Orders from the Official Receiver as an expense in consolidated and separate statements of profit or loss.
- (2) Moreover, as at June 30, 2024 and 2023, the Company recognized a gain on derecognition of financial liabilities measured at amortized cost as an income in consolidated and separate statement of profit or loss for the substantial modification in value of liabilities as the recognition of new financial liabilities.
- (3) As at June 30, 2024 and 2023, the Company terminated the Declaration of Onerous Contracts of aircraft under finance lease agreements and return the aircraft to the lessors. The Company adjusted right-of-use assets, lease liabilities, payables under lease agreements and relevant expenses. As a result, the Company recognized a gain from debt restructuring as an income in consolidated and separate statement of profit or loss.

4.2.2 Items in progress of implementation in accordance with the business rehabilitation plan

For certain Creditors such as trade and other account payables, loan creditors, shareholder creditors, aircraft lease creditors, aircraft finance lease creditors and government agencies and state enterprises established under Thai law, that are relevant and necessary to aviation and aviation-related businesses creditors. The Company is in the debt verification process with the Official Receiver and will be adjusted upon receiving the Orders from the Official Receiver. The Company's management is in the process to consider the impact to liabilities which may be materially changed when completes the debt verification with the Official Receiver.

5. RELATED PARTIES TRANSACTIONS

Related individuals or parties of the Company are defined as individuals or entities that control the Company or are controlled by the Company, whether directly or indirectly or are under the same control as the Company including holding companies. In addition, related individuals or parties also include individuals owning, directly or indirectly, and interest in the voting shares of the Company, and have significant influence over the Company, key management personnel, directors, or officers of the Company. This also applies to the close members of the family of such individuals and companies associated with these individuals. Other related entities include those in which the Ministry of Finance is a major shareholder and other entities under which the Ministry of Finance has control or joint control over these entities or significant influence.

In considering each possible related individuals or parties with the Company, the Company attend directly to the substance of the relationship, not merely the legal form.

Transactions with related individuals or parties are conducted at market prices or, where no market price exists, at contractually agreed prices.

5.1 Significant transactions with related individuals or parties are as follows:

For the three-month periods ended June 30,

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2024	2023	financial statements	2023
Major shareholder				
Purchases of goods and services	4	-	4	-
Interest expense	259	243	259	243
Subsidiaries				
Sales and rendering of services	-	-	49	980
Purchases of goods and services	-	-	377	1,305
Dividend received	-	-	32	17
Associates				
Sales and rendering of services	76	55	76	55
Dividend received	14	-	14	-
Other related parties (excluding entities under the Ministry of Finance)				
Sales and rendering of services	28	20	28	20
Purchases of goods and services	5,731	9,167	5,727	8,226
Interest expense	88	87	88	87

For the three-month periods ended June 30,

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2024	2023	2024	2023
Director and management remunerations				
Short-term management remuneration	10	8	8	7
Directors' remuneration	4	4	3	4
Post-employment benefits	0.33	0.30	0.33	0.30

For the six-month periods ended June 30,

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2024	2023	2024	2023
Major shareholder				
Sales and rendering of services	-	1	-	1
Purchases of goods and services	7	2	7	2
Interest expense	512	479	512	479
Subsidiaries				
Sales and rendering of services	-	-	193	2,078
Purchases of goods and services	-	-	768	2,701
Dividend received (see Note 10.2)	-	-	32	17
Associates				
Sales and rendering of services	154	96	154	96
Dividend received (see Note 10.1)	21	-	21	-
Other related parties (excluding entities under the Ministry of Finance)				
Sales and rendering of services	54	43	54	43
Purchases of goods and services	9,046	13,019	8,988	10,938
Interest expense	180	175	180	175
Directors and managements remuneration				
Short-term management remunerations	18	16	15	13
Directors' remunerations	9	8	7	7
Post-employment benefits	0.67	0.60	0.67	0.60

Management remuneration considered in accordance with the Securities and Exchange Law, whereby the executive is the managing director of the Company. The first 4 level of executives of the Company and all positions equivalent to the 4th management level, following the Company's managing director, including some executive management of Accounting or Finance.

5.2 Balances with related parties are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Trade and other current receivables				
(see Note 7)				
Subsidiaries	-	-	10,414	10,640
Other related parties	214	109	214	109
Total	214	109	10,628	10,749

Trade and other current receivables presented balances before deducting allowance for expected credit losses (see Note 7).

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2024	2023	2024	2023
Trade and other current payables				
(see Note 17)				
Subsidiaries	-	-	377	307
Associates	11	9	11	9
Other related parties	480	210	480	210
Total	491	219	868	526
Trade and other non-current payables				
(see Note 17)				
Associates	17	19	17	19
Other related parties	1,499	923	1,499	923
Total	1,516	942	1,516	942
Long-term borrowings from related parties				
From a foreign financial institution through the major shareholder	13,037	12,584	13,037	12,584
From domestic financial institutions controlled by the major shareholder	12,434	12,348	12,434	12,348
Total	25,471	24,932	25,471	24,932

Long-term borrowings from related parties are as follows:

	Unit : Million Baht					
	Consolidated and separated financial statements					
	Maturity date		Interest rate (% per annum)		Amount	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Non-current Liabilities						
From a domestic financial institution controlled by the major shareholder ⁽¹⁾	December 30, 2035	December 30, 2035	1.00 - 1.50	1.00 - 1.50	10,780	10,769
From a domestic financial institution controlled by the major shareholder ⁽²⁾	December 30, 2035	December 30, 2035	1.00 - 1.50	1.00 - 1.50	1,654	1,579
Total non-current liabilities from domestic financial institutions controlled by the major shareholder					12,434	12,348
From a foreign financial institution through major shareholder ⁽³⁾	December 30, 2024	December 30, 2024	1.50	1.50	13,037	12,584
Total					<u>25,471</u>	<u>24,932</u>

(1) On October 20, 2022, the Central Bankruptcy Court issued the Orders to approve the revised plan, resulting the change in debt repayment method of long-term borrowing from related parties to be paid by converting certain debt to ordinary shares and change in maturity date and interest rate according to the amendment of business rehabilitation plan (see Note 4.1.3). Therefore, as at June 30, 2024, the Company adjusted the outstanding debt from certain financial institutions according to the Orders from the Official Receiver and remeasured financial liabilities with effective interest rates.

(2) On October 20, 2022, the Central Bankruptcy Court issued the Orders to approve the revised plan, resulting the change in debt repayment method of long-term borrowing from a domestic financial institution controlled by the major shareholder to be paid by converting certain debt to ordinary shares and change in maturity date and interest rate according to the amendment of business rehabilitation plan (see Note 4.1.3 (3)). Therefore, as at June 30, 2024, the Company adjusted the outstanding debt according to the Orders from the Official Receiver and remeasure financial liabilities by using discounted cashflow method with market rates.

(3) Borrowings from foreign financial institution through major shareholder was the borrowing that the Ministry of Finance entered into the borrowing agreements with a foreign financial institution and the Ministry of Finance had given such borrowing to the Company. On October 20, 2022, the Central Bankruptcy Court issued the Orders to approve the revised plan, resulting the change in debt repayment method of such long-term loan to be paid by converting whole of debt to ordinary shares according to the amendment of business rehabilitation plan (see Note 4.1.3). Therefore, as at June 30, 2024, the Company adjusted the outstanding debt according to the Orders from the Official Receiver and remeasure financial liabilities by using discounted cashflow method with market rates.

For the six-month period ended June 30, 2024, the Company has no additional borrowings from related parties.

As at June 30, 2024, the Company adjusted outstanding debt to repay of the borrowing from a foreign financial institution through the major shareholder and borrowing from domestic financial institutions controlled by the major shareholder, which the Company received the Orders from the Official Receiver. However, the remaining borrowings from domestic financial institutions controlled by the major shareholder, are in the process of debt verifications with the Official Receiver.

5.3 Significant agreements with related parties

Space rental agreements and license to operate business

The Company entered into lease space agreements and license to operate business agreements with Airports of Thailand Public Company Limited under the price and conditions stated in the agreements (see Note 11).

6. ADDITIONAL CASH FLOWS INFORMATION

6.1 Cash and cash equivalents consist of:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2024	2023	2024	2023
Cash on hand is kept locally	15	11	12	9
Cash on hand is kept overseas	12	3	12	3
Cash at domestic banks	30,895	18,259	30,606	17,875
Cash at foreign banks	24,367	29,755	24,252	29,561
Bill of exchange and time deposit	1,000	4,944	1,000	4,944
Total cash and cash equivalents	<u>56,289</u>	<u>52,972</u>	<u>55,882</u>	<u>52,392</u>
<u>Less</u> Allowance for expected credit losses	<u>(34)</u>	<u>(33)</u>	<u>(34)</u>	<u>(33)</u>
Total cash and cash equivalents	<u>56,255</u>	<u>52,939</u>	<u>55,848</u>	<u>52,359</u>

In addition, as at June 30, 2024, the Company has bill of exchange, time deposit and debenture with maturity more than 3 months but less than 1 year of Baht 25,493 million and Baht 25,342 million (As at December 31, 2023: Baht 14,191 million and Baht 14,091 million, respectively), which was presented as other current financial assets in the consolidated and separate financial statement, respectively (See Note 8).

6.2 Non-cash items for the six-month periods ended June 30, are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2024	2023	2024	2023
Classification of refundable income tax	349	-	349	-
Payables for purchasing of assets	567	281	563	281
Lease payables	814	5,453	814	5,453
Other non-current provisions	104	29	104	29

6.3 Changes in liabilities arising from financing activities are as follows:

For the six-month period ended June 30, 2024	Consolidated financial statements					Unit : Million Baht
	Balance as at January 1, 2024	Cash flows from financing activities	Exchange rate	Changes from non-cash items Increase	Others	Balance as at June 30, 2024
Long-term borrowings from financial institutions	8,399	-	-	-	128 ⁽¹⁾⁽³⁾	8,527
Long-term borrowings from related parties	24,932	-	-	-	539 ⁽¹⁾⁽³⁾	25,471
Lease liabilities	84,261	(9,482)	4,189	15,826	6,438 ⁽²⁾	101,232
Debentures	46,826	(534)	-	-	2,095 ⁽¹⁾	48,387
Total	164,418	(10,016)	4,189	15,826	9,200	183,617

For the six-month period ended June 30, 2023	Consolidated financial statements					Unit : Million Baht
	Balance as at January 1, 2023	Cash flows from financing activities	Exchange rate	Changes from non-cash items Increases	Others	Balance as at June 30, 2023
Short-term borrowings from related parties	39	(39)	-	-	-	-
Long-term borrowings from financial institutions	7,718	-	-	-	331 ⁽¹⁾	8,049
Long-term borrowings from related parties	24,361	(454)	-	-	499 ⁽¹⁾	24,406
Lease liabilities	87,121	(3,981)	2,365	4,412	(6,467) ⁽²⁾	83,450
Debentures	42,765	-	-	-	2,032 ⁽¹⁾	44,797
Total	162,004	(4,474)	2,365	4,412	(3,605)	160,702

⁽¹⁾ Recognition of financial cost measured at amortized cost

⁽²⁾ Classification of payable under lease agreement, adjustment of other lease liabilities and terminate of contract (see Note 16)

⁽³⁾ Changing from derecognition of financial liabilities measured at amortized cost

For the six-month period ended June 30, 2024	Separate financial statements					Balance as at June 30, 2024
	Balance as at January 1, 2024	Cash flows from financing activities	Exchange rate	Increases	Others	
Long-term borrowings from financial institutions	8,399	-	-	-	128 ⁽¹⁾⁽³⁾	8,527
Long-term borrowings from related parties	24,932	-	-	-	539 ⁽¹⁾⁽³⁾	25,471
Lease liabilities	84,254	(9,474)	4,189	15,802	6,438 ⁽²⁾	101,209
Debentures	46,826	(534)	-	-	2,095 ⁽¹⁾	48,387
Total	164,411	(10,008)	4,189	15,802	9,200	183,594

For the six-month period ended June 30, 2023	Separate financial statements					Balance as at June 30, 2023
	Balance as at January 1, 2023	Cash flows from financing activities	Exchange rate	Increases	Others	
Long-term borrowings from financial institutions	7,718	-	-	-	331 ⁽¹⁾	8,049
Long-term borrowings from related parties	24,361	(454)	-	-	499 ⁽¹⁾	24,406
Lease liabilities	87,117	(3,976)	2,365	4,402	(6,467) ⁽²⁾	83,441
Debentures	42,765	-	-	-	2,032 ⁽¹⁾	44,797
Total	161,961	(4,430)	2,365	4,402	(3,605)	160,693

⁽¹⁾ Recognition of financial cost measured at amortized cost

⁽²⁾ Classification of payable under lease agreement, adjustment of other lease liabilities and terminate of contract (see Note 16)

⁽³⁾ Changing from derecognition of financial liabilities measured at amortized cost

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables consist of:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	As at	As at	As at	As at
	June 30,	December 31,	June 30,	December 31,
	2024	2023	2024	2023
Trade receivables				
Related parties (see Note 5.2)	114	78	3,039	2,958
Other parties	13,280	12,971	13,087	12,686
<u>Less Allowance for expected credit losses</u>	<u>(1,583)</u>	<u>(1,647)</u>	<u>(4,453)</u>	<u>(4,480)</u>
Total trade receivables	<u>11,811</u>	<u>11,402</u>	<u>11,673</u>	<u>11,164</u>
Other receivables				
Related parties (see Note 5.2)	-	-	7,489	7,760
Other parties	2,983	2,935	2,778	2,484
<u>Less Allowance for expected credit losses</u>	<u>(182)</u>	<u>(181)</u>	<u>(7,368)</u>	<u>(7,663)</u>
Total other receivables	<u>2,801</u>	<u>2,754</u>	<u>2,899</u>	<u>2,581</u>
	<u>14,612</u>	<u>14,156</u>	<u>14,572</u>	<u>13,745</u>
Accrued income	1,061	1,652	1,306	1,706
Receivable - the Revenue Department	-	325	-	326
Prepaid expenses and deposits	2,507	3,027	2,430	2,859
Prepaid expenses and deposits - related parties (see Note 5.2)	100	31	100	31
Total	<u>18,280</u>	<u>19,191</u>	<u>18,408</u>	<u>18,667</u>

As at June 30, 2024, the Company recognized allowance for expected credit losses on trade and other current receivables of Baht 4,453 million and Baht 7,368 million, respectively, in the separate financial statements. Major parts are the recognition of the allowance for expected credit losses for receivables of Thai Smile Airways Company Limited, a subsidiary, of Baht 10,097 million and other receivables of Baht 1,724 million.

Aging analysis of trade receivables are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Related parties				
Within credit terms	7	4	12	300
Overdue:				
Less than 6 months	33	22	375	530
6 - 12 months	22	22	529	468
1 - 2 years	36	16	707	723
More than 2 years	16	14	1,416	937
	<u>114</u>	<u>78</u>	<u>3,039</u>	<u>2,958</u>
<u>Less</u> Allowance for expected credit losses	<u>(55)</u>	<u>(31)</u>	<u>(2,965)</u>	<u>(2,904)</u>
	<u>59</u>	<u>47</u>	<u>74</u>	<u>54</u>
Other parties				
Within credit terms	9,056	8,763	9,056	8,531
Overdue:				
Less than 6 months	1,951	2,059	1,948	2,047
6 - 12 months	392	376	234	376
1 - 2 years	513	362	513	362
Over 2 years	1,368	1,411	1,336	1,370
	<u>13,280</u>	<u>12,971</u>	<u>13,087</u>	<u>12,686</u>
<u>Less</u> Allowance for expected credit losses	<u>(1,528)</u>	<u>(1,616)</u>	<u>(1,488)</u>	<u>(1,576)</u>
	<u>11,752</u>	<u>11,355</u>	<u>11,599</u>	<u>11,110</u>
Total	<u>11,811</u>	<u>11,402</u>	<u>11,673</u>	<u>11,164</u>

8. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets consist of:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Financial assets measured at amortized cost				
Bill of exchange with the right to be redeemed	15,356	9,935	15,356	9,935
Fixed deposits with a maturity period of more than 3 months and not over 1 year	9,387	4,006	9,236	3,906
Debentures with a maturity period within 1 year	750	250	750	250
Total	<u>25,493</u>	<u>14,191</u>	<u>25,342</u>	<u>14,091</u>

9. NON-CURRENT ASSETS CLASSIFIED AS ASSETS HELD FOR SALE

Movements of non-current assets classified as assets held for sale for the six-month periods ended June 30, are as follows:

	Unit : Million Baht	
	Consolidated and separate financial statements	
	2024	2023
Balance as at January 1,	2,103	2,747
<u>Increase</u> from transferred to non-current assets classified as assets held for sale - net book value	1,836	1,405
<u>Decrease</u> from transferred to non-performing assets from the recognition of the allowance for impairment loss from disposals	- (197) (530)	(167) - (572)
Balance as at June 30,	3,212	3,413

The significant changes during the six-month period ended June 30, 2024 are as follows:

- The Company transferred 6 aircraft, engine spare parts and other assets to non-current assets classified as held for sale with a net book value of Baht 1,328 million, Baht 263 million and Baht 245 million, respectively.
- The Company recorded an impairment loss of 6 B777-200 aircraft, amounting to Baht 197 million.
- The Company sold 1 B747-400, 3 A340-600 and 1 B777-200 aircraft and other assets to buyers (non-related parties) with net book value, totally of Baht 530 million.

10. INVESTMENTS

10.1 Investments in associates

Investments in associates, which are recorded using the equity method for the consolidated financial statements and the cost method for the separate financial statements and dividend income are as follows:

Company name	Country of incorporation	Nature of business	Proportions of shareholding (%)		Paid-up registered share capital		Consolidated financial statements		Separate financial statements		Unit : Million Baht	
			Equity method		Cost method		Dividend income					
			As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023	For the six-month periods ended June 30, 2024 2023	
Associates												
Donmuang International Airport Hotel Company Limited	Thailand	Hotel business	40.00	40.00	120	120	77	68	48	48	5	-
Phuket Air Catering Company Limited	Thailand	Produce foods and provide services for airlines	30.00	30.00	100	100	171	161	30	30	9	-
Suvarnabhumi Airport Hotel Company Limited	Thailand	Hotel business	30.00	30.00	1,018	1,018	353	346	305	305	7	-
Total							<u>601</u>	<u>575</u>	<u>383</u>	<u>383</u>	<u>21</u>	<u>-</u>

10.2 Investments in subsidiaries

Investments in subsidiaries recorded using the cost method for the separate financial statements and dividend income are as follows:

Company name	Separate financial statements												Unit : Million Baht	
	Proportions of shareholding (%)		Paid-up registered share capital		Cost method		Allowance for Impairment loss		Cost method - net		Dividend income			
	As at	As at	As at	As at	As at	As at	As at	As at	As at	As at	For the six-month			
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	June 30, 2023		
Subsidiaries														
Thai-Amadeus Southeast Asia Company Limited	55.00	55.00	15	15	8	8	-	-	8	8	31	16		
Wingspan Services Company Limited	49.00	49.00	2	2	1	1	-	-	1	1	-	-		
Thai Flight Training Company Limited	49.00	49.00	2	2	1	1	-	-	1	1	1	1		
Thai Smile Airways Company Limited ⁽¹⁾	100.00	100.00	1,800	1,800	1,800	1,800	(1,800)	(1,800)	-	-	-	-		
Total					<u>1,810</u>	<u>1,810</u>	<u>(1,800)</u>	<u>(1,800)</u>	<u>10</u>	<u>10</u>	<u>32</u>	<u>17</u>		

⁽¹⁾ The Company assessed the performances of Thai Smile Airways Company Limited, which continuously had accumulated loss and capital deficiency. Therefore, the recoverable amount of such investment was less than net carrying amount. The Company recognized an allowance for impairment of such investment of Baht 1,800 million, fully.

11. PROPERTY PLANT AND EQUIPMENT

Movements of property, plant and equipment for the six-month periods ended June 30, are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2024	2023	2024	2023
Balance as at January 1,	44,579	45,969	44,556	45,918
<u>Increase</u> from acquisitions	2,550	3,153	2,518	2,719
<u>Decrease</u> from transferred back (transferred to)				
to non-performing assets	(7)	19	(7)	19
from transferred to non-current assets				
classified as assets held for sale	(1,558)	(1,401)	(1,558)	(1,401)
from disposals	(1)	(378)	-	(378)
from depreciations	(2,278)	(2,335)	(2,274)	(2,305)
from the recognition of the allowance				
for impairment loss	(3,873)	(66)	(3,873)	(66)
Balance as at June 30,	<u>39,412</u>	<u>44,961</u>	<u>39,362</u>	<u>44,506</u>

As at June 30, 2024, the Company had 77 aircraft used in operations and the Company's 1 aircraft unused in operations. The aircraft used in operations, including the Company's 8 aircraft and 69 aircraft under lease agreements have been presented as property, plant and equipment and right-of-use assets, respectively (see Note 12).

For the six-month period ended June 30, 2024, the Company recognized the allowance for impairment loss of 6 A380-800 aircraft and TRENT 970-84 engine spare parts of Baht 3,793 million and Baht 732 million, respectively. Moreover, the Company reversed the allowance for impairment loss on TRENT 772B engine spare parts of Baht (652) million.

As at June 30, 2024, property, plant and equipment included the building on leased land, under lease land agreements with Airports of Thailand Public Company Limited ("AOT"), as a lessor, locate at Suvarnabhumi Airport, with the net book value of Baht 2,529 million, having a lease term for the period of 30 years, starting from September 28, 2006 to September 27, 2036 and a lessor will renew the contract for the period of 4 years, starting from September 28, 2036 to September 27, 2040.

At the end of the lease contract period, the ownerships of the buildings and their component parts, will be transferred to the Ministry of Finance (see Note 5.3). However, the Company still has the right of use such buildings and their component parts in its operations until the lease agreement expiration or termination.

12. RIGHT-OF-USE ASSETS

Movements of right-of-use assets for the six-month periods ended June 30, are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2024	2023	2024	2023
Balance as at January 1,	65,048	61,869	65,042	56,295
<u>Increase</u> from entering into				
new lease contracts - cost	16,387	4,564	16,359	4,555
from remeasurements of lease liabilities	1,016	1,112	1,016	1,146
<u>Decrease</u> from terminations of lease contracts	(1)	(1,313)	(1)	(1,313)
from depreciations	(3,935)	(2,941)	(3,925)	(2,600)
Balance as at June 30,	<u>78,515</u>	<u>63,291</u>	<u>78,491</u>	<u>58,083</u>

13. AIRCRAFT MAINTENANCE RESERVES

Movements of aircraft maintenance reserves for the six-month periods ended June 30, are as follows:

	Unit : Million Baht	
	Consolidated and separate	
	2024	2023
Balance as at January 1,	14,894	14,329
<u>Increase</u> from payments	305	632
from adjustments of unrealized foreign exchange rate	1,024	440
<u>Decrease</u> from receiving reserves	(933)	(217)
Balance as at June 30,	<u>15,290</u>	<u>15,184</u>

Aircraft maintenance reserves under lease aircraft agreements are deposits by lessors from a lease, for engine and aircraft maintaining, in accordance with flight conditions with the terms as specified in the maintenance schedules, which can be refunded, when an aircraft is overhauled, following to the maintenance plan and conditions as specified in the lease contract.

14. OTHER NON - CURRENT ASSETS

Other non-current assets consist of:

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Non-performing assets	207	477	207	477
Pre-delivery payments for aircraft procuring (see Note 25.2)	7,974	-	7,974	-
Security deposits under aircraft lease agreements	2,492	2,208	2,492	2,208
Other deposits	1,929	2,410	1,929	2,410
Others	917	469	914	371
<u>Less</u> Allowance for expected credit losses	(2)	(3)	(2)	(3)
Total	13,517	5,561	13,514	5,463

15. INTEREST BEARING LIABILITIES

15.1 Long-term borrowings from financial institutions are as follows:

Starting date according to the original borrowing agreements	Principal Maturity date	Interest rate (% per annum)	Unit : Million Baht Consolidated and separate financial statements	
			As at June 30, 2024	As at December 31, 2023
December 20, 2010	December 30, 2035	1.00 - 1.50	2,079	1,985
September 30, 2014 and August 27, 2018	December 30, 2035	1.00 - 1.50	788	753
July 10, 2018	December 30, 2035	1.00 - 1.50	1,707	1,630
October 8, 2019	December 30, 2035	1.00 - 1.50	1,323	1,263
February 26, 2020	December 30, 2035	1.00 - 1.50	2,630	2,768
Total			8,527	8,399

Such Long-term borrowings have due date to repay the first installment on June 30, 2026.

	Unit : Million Baht Consolidated and separate financial statements	
	As at June 30, 2024	As at December 31, 2023
Principals	12,241	12,241
<u>Less</u> deferred interest expenses	(3,714)	(3,842)
Total	8,527	8,399

For the six-month period ended June 30, 2024, the Company did not have additional long-term borrowings from financial institutions and did not make any repayment of principal. Moreover, the Company did not use any fixed assets or any other assets as collateral, with such long-term borrowings from financial institutions.

The Company adjusted outstanding of long-term borrowings from financial institutions, from receiving the Orders from the Official Receiver for repayment to borrowing creditors from financial institutions and remeasured of the fair value of such financial liabilities using discount cash flow method with market rate. However, the remaining of such borrowings from financial institutions are in the process of debt verification with the Official Receiver (see Note 4.1.3 (3)).

15.2 Debentures

The Company had name-registered, unsubordinated and unsecured debentures in Thai Baht offering to investors are as follows:

	Unit : Million Baht	
	Consolidated and separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2024	2023
Principals	71,604	71,604
<u>Less</u> deferred interest expenses	<u>(23,217)</u>	<u>(24,778)</u>
Total	<u>48,387</u>	<u>46,826</u>

On October 20, 2022, the Central Bankruptcy Court has the Orders approving the request to amend the business rehabilitation plan. As a result, the debt repayment method was changed from the original to be fully paid in cash in the 12th to the 15th year of the business rehabilitation plan (different for each group) is received by debt-to-equity conversion with the principal amount according to the business rehabilitation plan at the rate of 24.50 percent of the outstanding principal debt of each creditor according to the Final Order to receive pay off debt which will be paid within the year 2024. The remaining principal debt will be repaid from cash flow within the specified period in the rehabilitation plan approved by the court as before. The debentures had maturity period from December 30, 2028 to December 30, 2036 and has set a new interest rate from the outstanding principal debt that has been paid from cash flow in the last 2 years before the maturity of the redemption under the rehabilitation plan by increasing by another 0.25 percent per year (see Note 4.1.3 (3)).

For the six-month period ended June 30, 2024, the Company did not issue additional debentures and repayment any principals.

16. LEASE LIABILITIES

Movements of lease liabilities for the six-month periods ended June 30, are as follows:

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	2024	2023	2024	2023
Balance as at January 1,	84,261	87,121	84,254	87,117
<u>Increase</u> from new contract	15,826	4,412	15,802	4,402
from remeasurement of lease liabilities	2,191	617	2,191	617
from adjusting interest	5,205	3,009	5,205	3,009
from adjusting from exchange rate	4,189	2,365	4,189	2,365
<u>Decrease</u> from payment	(9,482)	(3,981)	(9,474)	(3,976)
from transferred to payable	(814)	(8,399)	(814)	(8,399)
from termination of contract	(144)	(1,694)	(144)	(1,694)
Balance as at June 30,	<u>101,232</u>	<u>83,450</u>	<u>101,209</u>	<u>83,441</u>

Lease liabilities consist of :

	Consolidated		Unit : Million Baht	
	financial statements		Separate	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Lease liabilities	101,232	84,261	101,209	84,254
<u>Less</u> Lease liabilities due within 1 year	<u>(9,662)</u>	<u>(7,187)</u>	<u>(9,652)</u>	<u>(7,180)</u>
Net from lease liabilities due within 1 year	<u>91,570</u>	<u>77,074</u>	<u>91,557</u>	<u>77,074</u>

17. TRADE AND OTHER PAYABLES

Trade and other payable are as follows:

	Consolidated		Unit : Million Baht Separate	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Current				
Trade payables				
Related parties (see Note 5.2)	491	219	868	526
Other parties	5,324	2,065	5,083	1,912
Total trade payables	5,815	2,284	5,951	2,438
Other payables				
Airport fees payables	6,501	5,627	6,501	5,627
Other parties	8,760	7,891	7,544	7,219
Total other payables	15,261	13,518	14,045	12,846
Accrued expenses	7,591	7,494	8,069	6,876
Accrued interest expenses	960	858	960	858
Accrued flight service expenses	3,733	4,393	3,718	4,322
Total current portion	33,360	28,547	32,743	27,340
Non-current				
Trade payables				
Related parties (see Note 5.2)	1,516	942	1,516	942
Other parties	8,893	9,974	8,893	9,974
Other payables - other parties	3,014	4,784	3,014	4,784
Total non-current portion	13,423	15,700	13,423	15,700
Total trade and other payables	46,783	44,247	46,166	43,040

	Consolidated financial		Unit : Million Baht Separate	
	As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Trade and other non-current payables				
Trade payables				
Related parties				
Principle	1,782	1,102	1,782	1,102
Less deferred interest expenses	(266)	(160)	(266)	(160)
Total trade payables - related parties	1,516	942	1,516	942
Others				
Principle	13,221	12,645	13,221	12,645
Less deferred interest expenses	(4,328)	(2,671)	(4,328)	(2,671)
Total trade payables - others	8,893	9,974	8,893	9,974
Other payables				
Others				
Principle	7,516	7,520	7,516	7,520
Less deferred interest expenses	(4,502)	(2,736)	(4,502)	(2,736)
Total other payables	3,014	4,784	3,014	4,784
Total trade and other non-current payables	13,423	15,700	13,423	15,700

During the period ended June 30, 2024, the Company received an additional Order from the Official Receiver to pay debt to certain trade and other payables. The Company adjusted trade and other payables to be in accordance with the debt amount, due date and interest rate according to the rehabilitation plan and Order from the Official Receiver, which will settle the first installment period on June 30, 2024. Therefore, liabilities were adjusted and classified as non-current trade and other payables. The Company had an impact from the adjustment of trade and other payables for the six-month period ended June 30, 2024 to be in accordance with the debt balance of loss Baht 272 million (see Note 4.2.1 (1)).

18. STAFF PENSION FUND

The Company has established pension fund of Thai Airways International Public Company Limited's staff. The Company contributed to the fund at a rate of 10 percent of employee salaries. The fund's assets, liabilities and fund balance are presented in the Company's statements of financial position. Interests and expenses arising from fund operations are recognized as incomes and expenses of the Company. The details are as follows:

	Unit : Million Baht	
	Consolidated and Separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2024	2023
Cash at bank		
(Presented as other non-current financial assets)	119	103
Receivable - Bank		
(Presented as other non-current financial assets)	625	703
Other current assets	89	77
Total Assets	<u>833</u>	<u>883</u>
Other current liabilities		
Accrued payment for staff termination	2	3
Staff pension fund	831	880
Total Liabilities	<u>833</u>	<u>883</u>

As at June 30, 2024, and December 31, 2023, staff pension fund had remaining balances of Baht 831 million and Baht 880 million, respectively which equaled to the Company's obligations to employees.

During the six-month period ended June 30, 2024, the Company paid to employee who ceased to be members of the provident fund in the amount of Baht 94 million and recognized pension expense in the amount of Baht 44 million.

As at June 30, 2024, and December 31, 2023, the balance of net pension receivable - THAI in amount of Baht 625 million and Baht 703 million, respectively was resulted of the bank deposit of pension had temporarily seized by the bank in amount of Baht 2,331 million and adjusted interest of bank deposit in amount of Baht 5 million, totaling of Baht 2,336 million. The amount was net of the bank deposit which the Company had contributed in excess of Baht 201 million. As a result, the pension fund could not be able to pay the employee. Therefore, the Company had to reserve funds to pay the employee who retired under the early retirement program and terminated from the fund in amount of Baht 1,510 million.

19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Movements of non-current provisions for employee benefits for the six-month periods ended June 30, are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2024	2023	2024	2023
Balance as at January 1,	4,768	4,496	4,741	4,415
<u>Increase</u> from current service costs	101	98	97	90
from interest costs	61	56	60	56
from employees transferred from subsidiaries	-	-	-	8
<u>Decrease</u> from benefit paid	(176)	(101)	(170)	(100)
Balance as at June 30,	<u>4,754</u>	<u>4,549</u>	<u>4,728</u>	<u>4,469</u>

20. OTHER NON-CURRENT PROVISIONS

Movements of other non-current provisions for the six-month periods ended June 30, are as follows:

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2024	2023	2024	2023
Balance as at January 1,	29,340	26,777	29,340	19,849
<u>Increase</u> from movement during the period	3,783	1,349	3,783	904
from aircraft transferred from subsidiaries	-	-	-	1,033
from adjust foreign exchange rate	2,153	562	2,153	562
Balance as at June 30,	<u>35,276</u>	<u>28,688</u>	<u>35,276</u>	<u>22,348</u>

Other non-current provisions consist of long-term provision for repair and maintenance of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others component of aircraft which has to pay maintenance in the future in accordance with the agreement. The Company has obligation under operating lease of aircraft maintenance, aircraft's engines and other components maintenance over the lease period including preparation of aircraft conditions before handover to lessors at the end of the lease. The Company shall estimate expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which were calculated along with usage time proportion.

21. REVENUE FROM CONTRACT WITH CUSTOMERS

Disaggregation of revenue

The Group disaggregate revenue from sales and services with customers for overtime and at the point of time by segment related to segment information disclosure in accordance with Thai Financial Reporting Standards No. 8 “Operating Segment” (see Note 23).

Revenue from sales and services for the three-month and six-month periods ended June 30, were classified revenue by timing of revenue recognition and type of goods and services as follows:

For the three-month periods ended June 30,

	Consolidated		Unit : Million Baht	
	financial statements	financial statements	Separate	Separate
	2024	2023	2024	2023
Timing of revenue recognition				
At a point in time				
Business unit				
Revenue from business units	1,811	1,194	1,811	1,657
Others				
Revenue from other activities	94	67	-	-
Overtime				
Air freight				
Revenue from passenger and excess baggage	36,088	31,125	36,088	28,350
Revenue from freight	4,192	3,832	4,192	3,836
Business unit				
Revenue from warehouse services	722	588	722	588
Revenue from aircraft repair and maintenance services	40	94	40	125
Total	42,947	36,900	42,853	34,556

For the six-month periods ended June 30,

	Consolidated		Unit : Million Baht	
	financial statements	financial statements	Separate	Separate
	2024	2023	2024	2023
Timing of revenue recognition				
At a point in time				
Business unit				
Revenue from business units	3,609	2,385	3,609	3,372
Others				
Revenue from other activities	172	139	-	-
Overtime				
Air freight				
Revenue from passenger and excess baggage	78,741	66,103	78,741	60,304
Revenue from freight	7,954	8,195	7,954	8,199
Business unit				
Revenue from warehouse services	1,414	1,210	1,414	1,209
Revenue from aircraft repair and maintenance services	74	169	74	232
Total	91,964	78,201	91,792	73,316

22. OTHER INCOME

Other income consists of :

For the three-month periods ended June 30,

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2024	2023	2024	2023
Gain from sale of assets	47	4	47	4
Others	266	195	239	114
Total	313	199	286	118

For the six-month periods ended June 30,

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2024	2023	2024	2023
Gain from sales of assets	47	366	47	366
Others	749	293	738	199
Total	796	659	785	565

23. OPERATING SEGMENT

Factors used to identify the reportable segments

The Company determines reportable segments based on the nature of the products and services provided, which the management has considered the organization structure in relation to commercial airline operation.

The Company has 3 reportable segments, consists of:

- (1) Air transportation activities segment composed of passenger, freight, and mail services.
- (2) The business units segments related directly to transportation activities, which include cargo and mail commercial, ground customer services, ground support equipment services, and catering services.
- (3) Other activities segment are transportation supporting activities, which include flight management services, sale of duty-free goods, sale of souvenir products from maintenance division and operation of subsidiaries.

Measurement Criteria

The Company records revenue transfer between segments with sale prices charged to the unaffiliated customers net of discount. For ground customer services segment recorded at cost net of discount. For other activities, segment recorded mutual agreements. Those transferred transaction will be eliminated in the consolidated financial statements.

Total gain (loss) before income tax by segments was derived from revenue net of costs and operating expenses.

Segment assets are the assets used for the operation or related to such activities.

Segment liabilities are the liabilities used for the operation or related to such activities.

23.1 Financial Information by Segments

The operating segments are classified in the financial statements consist of the following:

For the three-month periods ended June 30,

	Consolidated financial statements						Unit : Million Baht	
	Air Transportation		Business Units		Other Activities		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
External Revenues (see Note 21)	40,280	34,463	2,573	1,707	94	730	42,947	36,900
Inter - segment revenues (expenses)	(2,383)	(1,621)	1,940	1,233	443	388	-	-
Interest income	766	285	-	-	1	-	767	285
Gain on debt restructuring	855	942	-	-	-	-	855	942
Other income	271	175	37	23	6	2	314	200
Total Revenues	39,789	34,244	4,550	2,963	544	1,120	44,883	38,327
Aircraft fuel expenses	(13,742)	(10,244)	-	-	-	-	(13,742)	(10,244)
Employee benefits expenses	(1,842)	(1,479)	(780)	(750)	(386)	(369)	(3,008)	(2,598)
Flight service expenses	(4,569)	(3,364)	(5)	(3)	-	-	(4,574)	(3,367)
Depreciation and amortization expenses	(2,956)	(2,424)	(156)	(159)	(143)	(182)	(3,255)	(2,765)
Loss from impairment of assets	(732)	(1)	-	-	-	-	(732)	(1)
Gain (loss) on foreign exchange rates - Net	(1,023)	(3,330)	-	-	-	1	(1,023)	(3,329)
Other expenses	(11,867)	(8,783)	(1,444)	(1,168)	(138)	(145)	(13,449)	(10,096)
Finance costs	(4,795)	(3,966)	-	-	-	-	(4,795)	(3,966)
Share of profit from investments in associates	15	5	-	-	-	-	15	5
Total Expenses	(41,511)	(33,586)	(2,385)	(2,080)	(667)	(695)	(44,563)	(36,361)
Profit (loss) before income tax income	(1,722)	658	2,165	883	(123)	425	320	1,966
Income tax (expenses) income	-	313	-	-	(6)	(6)	(6)	307
Profit (loss) by segments	(1,722)	971	2,165	883	(129)	419	314	2,273

For the six-month periods ended June 30,

Unit : Million Baht

	Consolidated financial statements							
	Air Transportation		Business Units		Other Activities		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
External Revenue (see Note 21)	86,695	73,250	5,097	3,525	172	1,426	91,964	78,201
Inter - segment revenue (expenses)	(4,746)	(3,232)	3,745	2,461	1,001	771	-	-
Interest income	1,358	394	-	-	1	-	1,359	394
Gain from debt restructuring	1,348	3,582	-	-	-	-	1,348	3,582
Other income	724	612	66	43	6	5	796	660
Total Revenue	85,379	74,606	8,908	6,029	1,180	2,202	95,467	82,837
Aircraft fuel expenses	(26,668)	(22,296)	-	-	-	-	(26,668)	(22,296)
Employee benefits expenses	(3,344)	(2,807)	(1,479)	(1,402)	(692)	(661)	(5,515)	(4,870)
Flight service expenses	(8,679)	(6,562)	(6)	(3)	-	-	(8,685)	(6,565)
Depreciation and amortization expenses	(5,621)	(4,599)	(316)	(344)	(284)	(360)	(6,221)	(5,303)
Loss from impairment of assets	(4,070)	(66)	-	-	-	-	(4,070)	(66)
Gain (loss) on foreign exchange rates - Net	(6,397)	(3,215)	-	-	2	1	(6,395)	(3,214)
Other expenses	(22,708)	(16,048)	(2,880)	(2,295)	(222)	(256)	(25,810)	(18,599)
Finance costs	(9,403)	(7,515)	-	-	-	-	(9,403)	(7,515)
Share of profit from investments in associates	51	29	-	-	-	-	51	29
Total Expenses	(86,839)	(63,079)	(4,681)	(4,044)	(1,196)	(1,276)	(92,716)	(68,399)
Profit (loss) before income tax expenses	(1,460)	11,527	4,227	1,985	(16)	926	2,751	14,438
Income tax (expenses) income	-	368	-	-	(13)	(11)	(13)	357
Profit (loss) by segments	(1,460)	11,895	4,227	1,985	(29)	915	2,738	14,795

Assets and liabilities of the Group are classified by segment consisted of the following:

Unit : Million Baht

	Consolidated financial statements							
	Air Transportation		Business Units		Other Activities		Total	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Current assets	103,833	89,740	729	717	1,234	1,517	105,796	91,974
Investments in associates	601	575	-	-	-	-	601	575
Property, plant and equipment	33,102	38,206	4,970	5,011	1,340	1,362	39,412	44,579
Right-of-use assets	74,737	61,037	2,534	2,654	1,244	1,357	78,515	65,048
Other non-current assets	42,960	34,699	1	1	29	12	42,990	34,712
Non-allocated assets	3,212	2,103					3,212	2,103
Total assets							270,526	238,991
Current liabilities	77,017	68,508	556	505	1,013	998	78,586	70,011
Non-current liabilities	228,201	207,900	-	37	58	-	228,259	207,937
Non-allocated liabilities	4,111	4,185					4,111	4,185
Total Liabilities							310,956	282,133

23.2 Revenues by Geographical Segment

Operating segments classified by geographical are as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2024	2023	2024	2023
Domestic Revenues				
Air Transportation	2,267	2,288	8,682	4,800
Business Units	2,573	1,707	5,097	3,525
Other Activities	94	730	172	1,426
Foreign Revenues				
Air Transportation				
Asia	21,484	16,892	43,673	35,835
Europe	12,652	12,031	27,384	25,929
Australia and New Zealand	3,877	3,252	6,956	6,686
Total Revenues	<u>42,947</u>	<u>36,900</u>	<u>91,964</u>	<u>78,201</u>

24. DISCLOSURE OF FINANCIAL INSTRUMENTS

24.1 Financial risk management objectives

The Group's Corporate financial risk management is under policy framework and management framework of risk management committee. The risk management committee is responsible for supervising monitoring and managing financial risk relating to the Group's operations through internal risk report which analyze from level and size of risk. These risks included market risk as well as currency risk, interest rate risk, fuel price risk, credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge these risk exposures. The using of derivatives financial instrument is governed by the risk management committees' policy and framework. However, as at June 30, 2024, and December 31, 2023, the Company did not have derivatives financial instrument transaction because the Company had entered the business rehabilitation process. Therefore, the Company has not entered into an additional contract.

24.2 Market risk

The Group's activities expose its primarily to the financial risks of changes in foreign currency exchange rates, interest rates and fuel price. The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate, foreign exchange rate risk and fuel price risk, including:

- forward foreign exchange contracts to hedge the exchange rate risk;
- interest rate swaps to mitigate the risk of rising interest rates;
- commodity option to mitigate the fuel price risk

24.2.1 Foreign Currency Exchange Rate Risk Management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts.

As the Company generates revenue in THB and foreign currency by more than 50 currencies, which are mainly in USD, THB, EUR and JPY and the major expenses are in currencies USD and THB while having long-term liabilities mainly in 4 major currencies as USD, EUR, THB and JPY.

The Company has managed the risk of exchange rates fluctuations which is uncontrolled factors by using “Matching Currency” strategy to manage this risk by matching currency between the expense and revenue and arranging for loan and restructure loan to coincide with net operating cash flow at the same time, together with the reduction of foreign currency debt risk by entering into Thai Baht loan in order to decrease the fluctuation of gain or loss from foreign exchange rate in the financial statements. In addition, the Company managed source of fund and has a policy to enter into Cross Currency Swap (CCS) when the financial market is favorable to the Company and forward contracts to hedge the future obligation that has underlying exposures.

As at June 30, 2024, and December 31, 2023, the Company did not have CCS transaction and forward contracts because the Company had entered the business rehabilitation process. Therefore, the Company has not entered into an additional contract.

24.2.2 Interest rate risk management

The Company is exposed to interest rate risk from borrowing and finance lease payable at both fixed and floating interest rates. The risk is managed by the maintaining an appropriate portion between fixed and floating rate borrowings and lease payable by the using of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite to ensure the most cost-effective hedging strategies are applied.

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated from agreed notional principal amounts. Such contracts are enabling the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using data at the reporting date and the credit risk inherent in the contract. However, as at June 30, 2024, and December 31, 2023, the Company did not have any interest rate swap contract transaction because the Company had entered the business rehabilitation process. Therefore, the Company has not entered into an additional contract.

24.2.3 Fuel price risk

Fuel price risk in the Company primarily arises from price fluctuation and availability of jet fuel. Fuel price fluctuation depends on demand and supply of global market including the impact of economic situation and uncertainty political worldwide, which has direct impact on the Company's operating due to fuel is the important factor in the aviation industry. The Company has made jet fuel price hedging policy in order to reduce the risk of fuel price volatility, to meet the Company's target and protect the value of the Company for shareholders and all stakeholders which did not intend to make income and profit from the fuel price hedging.

The Company has continuously and systematically managed the jet fuel price risk, by set the fuel price risk policy, implementing jet fuel price hedging at not lower than 20% and not more than 80% of annual fuel consumption. Whereby the budget and tenor of each contract would be for a period of not more than 24 months. The Company specified the lowest and highest prices of jet fuel. The Company will obligate in USD if the price of jet fuel falls below the lowest price. On the contrary, the Company will be compensated in USD if the price of jet fuel rises higher than the highest price.

At present, the Company has charged compensation for fuel expense in excess of the base fuel price in ticket through the fuel surcharge by being able to calculate the appropriate fee rate with market conditions, competition, fuel price volatility, market response and change in estimate fuel expense. For six-month period ended June 30, 2024, as resulting of collecting fuel surcharge fees can be collected according to the Company's target. The Company does not have necessary for any derivative transactions for additional hedge fuel price. However, the Company regularly continues assessing its hedging activities in order to prepare derivative transaction for hedge fuel price that is suitable for the Company's circumstance and aviation industry which is recovering in the future.

24.3 Credit risk management

Note 7 details that the Group's maximum exposure to credit risk and the measurement bases used to determine expected loss allowance.

The Group exposures to credit risk which related to trade and other receivables. The management has adopted appropriated policy and control risk, therefore the Group does not expect to any significant losses from credit granting. Moreover, the Group's credit granting is not concentrated because the Group has large and diverse customer base, the maximum amount which the Group may incur on credit granting is the book value of trade and other receivables as shown in the statement of financial position.

24.4 Liquidity and interest risk management

Ultimate responsibility for liquidity risk management and the payment period are in accordance with the Plan Administrator, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding including financial liabilities which are not derivatives. The framework of risk management is within the business rehabilitation plan, as described in Note 4.

24.5 Classes and categories of financial instruments and their fair values

The following table presents the fair values of financial assets, including the fair values hierarchy for financial assets recognized at fair value.

	Level of Fair value	Consolidated financial statements		Unit : Million Baht Separate financial statements	
		As at June 30, 2024	As at December 31, 2023	As at June 30, 2024	As at December 31, 2023
Financial assets measured at fair value through profit or loss					
Other non-current financial assets					
Investment in debt securities	Level 2	54	50	54	50
Investment in funds	Level 2	-	1	-	1
Investment in market equity securities	Level 1	234	311	233	311
Investment in non-market equity securities	Level 3	312	312	312	312
Financial assets measured at fair value through other comprehensive income					
Other non-current financial assets					
Investment in non-market equity securities	Level 3	26	26	22	22

Financial instruments measured at fair value

The following table disclose valuation technique using in fair value measurement.

Types	Valuation techniques
Debt securities	The fair value of investments in debt instruments measured at fair value through profit or loss is calculated by using valuation techniques via obtaining the observable market data and converting discounted cash flows to present values.
Investments in funds	The fair value of investments in marketable investment units that are measured at fair value through profit or loss is calculated by using the net asset value as of the reporting date.
Marketable equity securities	The fair value of investments in equity instrument measured at fair value through profit or loss is calculated by using the recent buying price referred from the Stock Exchange of as of the reporting date.
Non-marketable equity securities	The fair value of investments in equity instrument measured at fair value through profit or loss by estimated the present value of the expected cash flows discounted by relevant interest rate and risks. The fair value of investments in equity instrument measured at fair value through other comprehensive income is calculated by using the net asset value as of the reporting date.

During the six-month period ended June 30, 2024, and 2023 the Company did not transfer financial instruments between the fair value hierarchy.

As at June 30, 2024, and December 31, 2023, the book value of cash and cash equivalents, other current financial assets, trade receivables, other receivables, their carrying amounts approximate their fair value because of short-term maturity.

25. COMMITMENTS AND CONTINGENT LIABILITIES

The Company has contingent liabilities arising from commitments which have not been recognized in the financial statements as follows:

25.1 Bank Guarantee

The Company has bank guarantees issued by domestic and foreign banks as follows:

	Unit : Million (Currency)	
	Consolidated and Separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2024,	2023
Bank Guarantee		
Issued by domestic banks		
THB Currency	210	210
Issued by foreign banks		
USD Currency	17	17
AUD Currency	1	1
INR Currency	343	343
AED Currency	1	1
HKD Currency	3	3
NPR Currency	43	-

If the Company defaults on an obligation to a beneficiary in letter of guarantee, the bank agrees to pay a specific amount to that beneficiary and will claim from the Company later.

25.2 Commitment

As at June 30, 2024 the Company is awaiting delivery of aircraft, with a total future payment obligation under the aircraft lease agreements of approximately USD 1,549 million, and agreements to procure aircraft totaling approximately USD 8,000 million. The Company has partially paid the pre-delivery payment for the aircraft. (see Note 14).

As at December 31, 2023 the Company is awaiting delivery of aircraft, with a total future payment obligation under the aircraft lease agreements of approximately USD 1,766 million, and agreements to procure aircraft totaling approximately USD 8,000 million.

26. DISPUTES AND SIGNIFICANT LITIGATION

26.1 Labor disputes and damages claim

The Company has been filed as defendant in domestic and foreign labor disputes for 3 cases with claim amount of Baht 9 million and the complaints in domestic and foreign for 56 cases with claim amount of Baht 337 million.

26.2 Tax dispute

26.2.1 The Company, as an entrepreneur in the Duty free zone, has received a letter from the Customs Department No. Gor Kor 0503(4)/621 dated August 28, 2017, requested the Company to clarify the completeness of the certificate license of the import food for restricted products. The customs official has assessed additional taxes and duties according to 252 import entry declarations, which consisted of price of products in amount of Baht 493 million, import duty in amount of Baht 244 million, excise tax in amount of Baht 754 million, interior tax in amount of Baht 75 million, value added tax in amount of Baht 110 million, the subsidies for Thai Health Promotion Foundation in amount of Baht 15 million, and the subsidies for Thai Public Broadcasting Service in amount of Baht 11 million. The Company has submitted the letter of clarification to the Customs Department for consideration. In this regard, the Company has consultation letter on legal matters in relation to the importation of a group of products under the import control of food, fruit juice and other imports into the free zone of Thai Airways Catering, in the case of compliance with Section 152 of the Customs Act, B.E. 2560 to the Director General of the Customs Department for consideration can be summarize as the following:

1. The Company agreed to settle the case for 251 disputes during the year 2007 - 2012 with the Customs Department by agreeing to pay the amount of the imported goods and fines, totaling Baht 104 million. However, the Company recognized such provision in the statement of financial statements. As at the date that this interim financial information were approved for issue by the Plan Administrator of the Company. The Company paid partial payments with cumulative amount of Baht 42 million.
2. For the 623 disputes that occurred during the years 2012-2017, the Company is currently in the process of verifying import permissions to determine how to resolve these disputes with the Customs Department.

26.2.2 The Panohm Penh branch in Kingdom of Cambodia had been assessed additional taxes from the Cambodia Revenue Department, related to the difference in interpretations of tax law.

During the years 2019-2022, the Company received the tax assessment notifications for the years 2017-2020, consisted of 3 types of tax, which were corporate income tax, special business tax and withholding tax. The total additional assessed taxes, including fine and interest were Cambodian Riel 35,623 million.

The Company had filed such disputes with the above assessment through a tax advisor. The Company had issued a letter for requesting to extend the tax audit for the years 2017 to 2020 due to the impact of the situation of COVID-19 and the Company was under the process of rehabilitation plan. It is currently under consideration by the Cambodia Revenue Department. The tax payment as assessed depended on the negotiation with the Cambodia Revenue Department based on the fact, laws and supporting documents. The mentioned disputes are in negotiation process.

26.3 Tort case under unfair trade protection laws (Antitrust cases)

On December 24, 2013, a group of plaintiffs had filed a lawsuit against British Airways, Deutsche Lufthansa and Lufthansa Cargo A.G. (collectively called “Lufthansa”), and Koninklijke Luchtvaart Maatschappij N.V., Martin Air Holland N.V., and Societe Air France S.A. (collectively called “KLM-AF”), which are the defendants in the Cargo Civil Class Action case by alleging that conspiracy set the price for various surcharges in the Netherlands (Main case).

On November 6, 2015, a new group of plaintiffs had filed a lawsuit against British Airways, Lufthansa, KLM-AF and Singapore Airlines as defendants. The allegation had been similar to the main case.

Later on December 2016 to January 2017, the Company and 20 other airlines had received a writ of summons for contribution claim from British Airways, Lufthansa and KLM-AF.

Subsequently, British Airways, Lufthansa and Swiss International, KLM-AF, Korean Airlines and Qantas Airways, which were the parties in the Contribution Claim Case, had submitted a writ of summons to exercise the contribution claim in addition to the Contribution Claim Case above (known as Sub contribution claim), and the Company then submitted a writ of summons to exercise the contribution claim in the form of this sub Contribution Claim against all airlines as well in order to reserve the Company’s right in the event which the court orders each airline to pay for the damages exceeding its market share. This was not a lawsuit to demand for additional damages.

On June 22, 2020, Freshfields Law Firm reported that Cargo Civil Case was pending on review of the Amsterdam District Court.

1. On March 10, 2020, the Appeal Court decided that the transfer of claims to Stichting Cartel Compensation (“SCC”) had completed.
2. On June 9, 2020, the Court held a major hearing at the Stichting Cartel Compensation (“SCC”) Group 1 (“SCC I”) and Group 2 (“SCC II”) against Singapore Airlines, British Airways, Lufthansa and KLM-AF, which were the defendants which were the parties in Contribution Claim. The result of the court hearing allowed the defendant to review the information and submit a complaint about the SCC's claims by December 6, 2020. The court required all economic experts to agree on how to calculate overcharge and shared data.

For the case that the Company was the defendant had been suspended for the outcome of the main case. The law firm assessed that the Company should consider the possibility of the compromise negotiation between the defendant of the main case since the Company was only the carrier according to the price agreement, which the Company had low market share in such routes.

As at June 30, 2024, the management of the Company considered such disputes and litigation as described in Notes 26.1 to 26.3 based on the facts and the laws that the impacts of such matters will not significantly affect to the financial statements.

27. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

This interim financial information were approved by the Plan Administrator of the Company on August 8, 2024.