Annual Report 2023
(Form 56-1 One Report 2023)





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Form 56-1 One Report Annual Report 2023

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Report of the supervisory role with an oversight responsibilities

similar to the role of Audit Committee for the Year 2023

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Message from the Chairman of the Plan Administrator and the Chief Executive Officer

Since the Company has entered the rehabilitation process in May 2020, the Company's undertakings and operations have progressed according to the determined goals and timeframe. The performance and financial status of THAI in 2023, as of December 31, 2023 was a major milestone in the Company's history over many decades. They did not only reflect the efficiency of the strategies under the Rehabilitation Plan, but they also demonstrated the success of faithfully following such strategies. The success has also been due to the transformation from a state enterprise to a fully private organization, allowing for flexibilities in business decisionmaking and significant increases in competitiveness.

The quick recovery of global aviation industry to near pre-COVID level has resulted in rapidly increasing demand for travelling. It cannot be denied that, in terms of supply, various airlines across the world still face limitations in terms of their aircraft fleets as they had to streamline the size of their respective fleet during the COVID-19 pandemic, and maintenance capabilities due to the lack of spare parts and accessories, as well as the necessary liquidity. Suppliers of aircraft and engines have also not been able to fulfil the awaiting orders. Price competition in aircraft procurement and the demand for aircraft of airlines have thus been intensified.

The Company realizes the importance of fleet development, both in terms of quantity and quality since they are key in enhancing competitiveness, income generation, and the maintenance of market shares in current routes and routes under the long-term flight plans. At the end of 2023, THAI had a combined market share at Suvarnabhumi and Don Mueang Airports at 17.7 percent, a continued decline from 35.2 percent in 2011. In this regard, the Company has procured aircraft by means of operating lease to accommodate the short-term recovery of travel demands and entering flight business restructuring which was completed in December 2023. THAI has subsumed Airbus A320-200 aircraft from THAI Smile Airways and has since been operating on various routes that were previously flown by THAI Smile Airways Company Limited. The goal is to enhance efficiency of the Company's aircraft.

At the same time, THAI has engaged in long-term fleet management. We have hired experts who are widely accepted internationally to conduct studies and come up with the estimated demand for travelling and



long-term route networks development for a 10-year period (2024-2033). The focus is on development of network traffic, expand opportunities of additional income growth from transporting passengers into and out of Thailand, developing Suvarnabhumi Airport to become an aviation hub, including not only the Company's flights but also between THAI flights and those of alliance members. The outcome of the study was then used to determine long-term fleet procurement strategy. In December 2023, THAI signed an agreement to procure 80 aircraft and engines, dividing into Firm and Option Order of 45 aircraft and 35 aircraft respectively. The delivery is scheduled to begin from 2027 onwards. Nevertheless, even with 80 aircraft on procurement, it is expected that the combined market share of THAI at Suvarnabhumi and Don Mueang Airports in 2033 will be 23.2 percent which will be lower than the 2011 market share mentioned above.

Apart from fleet development, the Company has continued to improve the quality of our products and services including the preparations for the improvement of cabin interior, in-flight entertainment systems of Airbus A320-200 and Boeing B777-300ER aircraft, and food and beverage menu for passengers in every class.

In terms of long-term sustainability, THAI has emphasized human capital development across the organization. We have been raising awareness among employees of the new corporate values with the aim of transforming the corporate culture which focuses on professionalism, flexibility and agility in business operations, enabling the organization to cope with future competitions at the level appropriate for an international private organization. The Company has also focused on enhancing transparency and accountability of the Board of Directors, the management, employees, as well as all operating processes and mechanisms of the Company in order for the stakeholders to be confident in good corporate governance of the Company. In 2023, THAI revised our Sustainable Development Strategic Framework by committing to attain net zero by 2050, the same goal as the global aviation industry.

On behalf of the Plan Administrators, Board of Directors, the management, and employees of THAI, we wish to thank all our customers, creditors, partners, and vendors for your trust, cooperation, and support given to the Company. We would like to reaffirm our intention and commitment to business operations that are based on the good corporate governance, integrity, transparency, and fair treatment of stakeholders, with the aim of achieving good returns in a sustainable manner, generating added economic and social values for the country and those involved in the ecosystem of our business operations. We aim to take a step forward to becoming an airline that everyone in the nation can always be proud of.

(Mr. Piyasvasti Amranand)

Chairman of the Plan Administrator

Orto.

(Mr. Chai Eamsiri)
Chief Executive Officer

1. Structure and THAI's Business Operations

1.1 Policy and Overview of Business Operations

1.1.1 Company's Background

TG

TAC holding

70

Scandinavian Airlines System (SAS)

 30_{percent}

> 1960

1960

The Royal Thai Government established a joint venture between Thai Airways Company (TAC) and Scandinavian Airlines System (SAS) to operate international air services using the airline code TG. On March 29, 1960, the Company registered as a Limited Company with the registered capital of THB 2 million with TAC holding 70 percent of shares and SAS holding 30 percent of shares in the registered capital.

> 19

March 30, 1977

SAS transferred all shares it held to TAC. Its capital was increased by having the Ministry of Finance as a shareholder. > 1988

April 1, 1988

Due to the merger between TAC and the Company, in accordance with the economic cabinet resolution, the Company's registered capital rose to THB 2,230 million The Ministery of Finance became a major shareholder.

Registered capital rose to THB

2.23 billion

2011

July 19, 199

The Company listed its shares in the Stock Exchange of Thailand whereby retained earnings were convered into capital, thus increasing its capital to THB 13 billion. In 2011, the Company had a total paid-up capital of THB 21,827,719,170.

Registered capital rose to THB

 13_{billion}



> 2020



> 2013

October 17, 2013

The Company established THAI Smile Airways Company Limited with the registered capital of THB 1,800 million and 100 percent paid up. The Company held 100 percent of the shares. The airlines started its operations on April 10, 2014 with the airline code WE.

Registered capital of THAI Smile Airways was THB

May 22, 2020

Ministry of Finance reduced its shareholding proportion in the Company to lower than 50 percent of the total shares issued and paid up. The Ministry sold 3.17 percent of the shares to Vayupak Fund 1. Ministry of Finance still retains its position as a major shareholder of the Company and holds 47.86 percent of shares. Following the reduction of the Ministry of Finance's shareholding, the Company is not a state enterprise.

May 26, 2020

The Company filed a request for rehabilitation to the Central Bankruptcy Court. On September 14, 2020, the Central Bankruptcy Court issued an order to rehabilitate the business of THAI and appointed the Plan Administrators as follows:

- 1. Air Chief Marshal Chaiyapruk Didyasarin
- 2. Mr. Chakkrit Parapuntakul
- 3. Mr. Pirapan Salirathavibhaga
- 4. Mr. Boontak Wangcharoen
- 5. Mr. Piyasvasti Amranand
- 6. Mr. Chansin Treenuchagron
- 7. EY Corporate Advisory Services Company Limited

They were authorized according to the Bankruptcy Act B.E. 2483 (1940) Section 90/25 to operate and manage assets of debtors except the right to dividends.





> 2021

March 2, 2021

The Planners submitted the Business Rehabilitation Plan to the Official Receiver. Creditors meeting was held on May 12, 2021 but was then postponed following the request by 20 creditors. The new date was set to May 19, 2021.

May 19, 2021

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

The Official Receiver held a creditors meeting. The meeting had a resolution in accordance with Section 90/46 of the Bankruptcy Act B.E. 2483 (1940) whereby creditors present and voting with 91.56 percent of the total debts accepted the Rehabilitation Plan that the Plan Administrators submitted to the Official Receiver on March 2, 2021 and the three requests to amend the Rehabilitation Plan submitted by the Planners and 2 creditors. In this regard, the creditors meeting had appointed seven entities to be the Committee of Creditors:

- 1. Ministry of Finance
- 2. Bangkok Bank Public Company Limited
- 3. Thammasat University Savings and Credit Cooperative Ltd.
- 4. Ocean Life Insurance Public Company Limited
- 5. Government Savings Bank
- 6. The Federation of Savings and Credit Cooperatives of Thailand Limited
- 7. EGAT Saving and Credit Cooperative Limited

June 15, 2021

The Central Bankruptcy Court issued an order to approve the Business Rehabilitation Plan and the amended Plan, whereby the following persons were appointed as Plan Administrators:

- Mr. Piyasvasti Amranand
- Mr. Pornchai Thiraveja
- Mr. Kraisorn Baramee-auychai
- Mr. Siri Jirapongphan
- Mr. Chansin Treenuchagron

The Bankruptcy Act B.E. 2483 (1940) Section 90/59 stipulated that the rights and responsibilities of Planners are to fall under the Plan Administrators when the Plan Administrators acknowledged the Court's order. The Plan Administrators would be vested with the responsibility to manage the business and assets of the Company including its subsidiaries to be in line with the provisions in the Rehabilitation Plan and as per the duties and responsibilities determined in the Bankruptcy Act B.E. 2483 (1940) and other laws.





> 2023

The Central Bankruptcy Court issued an order to approve of the request to amend the Rehabilitation Plan. On October 21, 2022, Mr. Kraisorn Baramee-auychai and Mr. Siri Jirapongphan resigned from their positions as Plan Administrators. The three remaining Plan Administrators were allowed to exercise their authorities as the Plan Administrators as per Section 90/65 (6) of the Bankruptcy Act B.E. 2483 (1940) and Item No. 10.6 (2)

The Company registered to increase their capital with the Public Company Registrar, Department of Business Development, Ministry of Commerce, to increase their registered capital from THB 21,827,719,170 to THB 336,824,601,650 and filed for the amendment of Item No.4 of the Memorandum of Association to be consistent with the increase.

May 17, 2023

The meeting of the committee of creditors issued a resolution to approve the Company to restructure its aviation business. After the restructuring, the Company would manage the operations, fleet and schedule planning, and route networks of both the Company and THAI Smile. This would result in agility and strength in the conduct of business. The operations and services of THAI Smile have been transferred to THAI since January 2024. The Website www.thaismileair. com stopped its service on December 16, 2023. Its Smile Contact Center (Phone service) had continued operating until December 31, 2023.

October 20, 2022

of the Rehabilitation Plan.

December 14, 2022

July 1, 2022

The Plan Administrators submitted the request to amend the Plan to the Official Receiver at the Business Reorganization Division.

September 1, 2022

The Official Receiver held a creditors meeting whereby the creditors with debts totaled 78.59 percent of the total debts were present and voting. The present creditors voted to accept the request to amend the Rehabilitation Plan submitted by the Plan Administrators.

Registered capital rose to THB

336,824,601,650

All creditors present and voting accepted the amended Rehabilitation Plan. The following individuals formed the Committee of Creditors with attorneys as follows;

President of the Committee (representative from the Ministry of Finance) 1. Mr. Theeraj Athanavanich

2. Mr. Thawat Treewannakul Vice-president (Bangkok Bank Public Company Limited)

3. Asst.Prof.Dr. Pracha Koonnathamdee Member (Thammasat University Savings and Credit Cooperative)

Member (Ocean Life Insurance Public Company Limited) 4. Ms. Nusara Banyatpiyaphod

5. Mrs. Lapawan Jankrajang Member (Government Savings Bank)

6. Mrs. Suwanna Anantanond Member (Krung Thai Bank Public Company Limited)

7. Mr. Chartchai Rojanaratanangkule Member and Secretary (EGAT Saving and Credit Cooperative Limited)

Vision

"High quality full service carrier with strong Thai brand, connecting Thailand to the world and generating consistently healthy profit margin"



Mission



Preferred carrier for travel to and from Thailand, tailored to ability to pay



Commercial excellence optimizing yields and non-flight revenue



Cost competitiveness - outperforming regional peers



Market leading operating and safety performance

Core Values

The Company has a policy to foster Corporate Core Values that are determined based on the Vision and Mission that have been changed in accordance with business plans and strategies. Employees are expected to apply these corporate core values to their behaviors which will be a fundamental basis to generate desirable corporate core values.

The management at all levels must be good role models in complying to the roles and norms of the Company's core values to motivate employees to follow. They are to foster good mutual work environment based on the Corporate Core Values in order to develop them into desirable corporate core values.

Desirable Behavior	Corresponding Vision Element
THAI has implemented a restructuring of its organizational framework in alignment with the Rehabilitation Plan. This strategic realignment enables THAI to enhance its operational flexibility, thereby fostering competitiveness within the regional market.	Continuous profit generation
THAI will govern its business with trustworthiness to ensure stakeholders confidence and credibility.	Strong Thai brand connecting Thailand to the world
	THAI has implemented a restructuring of its organizational framework in alignment with the Rehabilitation Plan. This strategic realignment enables THAI to enhance its operational flexibility, thereby fostering competitiveness within the regional market. THAI will govern its business with trustworthiness to ensure stakeholders confidence and

Mastery for Professionalism

THAI is proud to have professional personnels and produce airline workers supplying to airlines business.

High quality full service carrier

Strategy

Following the Central Bankruptcy Court issuing an order to approve the Business Rehabilitation Plan on October 20, 2022 and the COVID-19 pandemic easing, the Company has been able to increase returns from passengers. The Company has also studied and improved its business plans for both flight and non-flight businesses as well as other operations to generate returns and Sustainable profit margins. The Company will drive its strategy and holistic development with the following approaches:

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

- 1. Design products and services to deliver the best experience for customers by efficient cost management and offering of additional services. Sales channels are available both online and offline, thus resulting in omnichannel markets. The Company also plans to enhance its commerce competitiveness with investment in digital infrastructure.
- 2. Manage route networks and fleets to be in line with the market demands of each period. The Company will also manage the production power, market positions, and competitiveness of the Company in various routes by focusing on routes that are profitable and have Continuously high market shares, with potentials for growth in the future in order to maintain its competitiveness in the aviation industry, while expanding its route networks to cover customers of all target groups over the world with cooperation with Star Alliance partner airlines and THAI Smile Airways.
- 3. Enhance cost competitiveness through amending lease agreements of aircraft to be more beneficial for the Company, managing costs with business partners in a strict manner, reducing complexity of the organizational structure, reducing the number of employees to enable THAI to compete with other airlines, and developing capabilities and potentials of employees at all levels including through changing corporate culture and employees' attitude, modifying and improving the system and processes of work to be modern, for THAI to be a leading airline.

4. Operate non-flight business such as cargo service, ground service, ground equipment service, flight catering, aircraft maintenance, flight management, souvenirs, and flight simulation. These businesses are able to build comprehensive and sustainable businesses on THAI's fundamental infrastructure and operations. They can be expanded to make THAI competitive in the medium and long terms.

Progress in the Implementation of the Business Rehabilitation Plan

- 1. Fleet Restructuring The Company has procured additional aircraft to accommodate the continuously rising demand of passengers as the aviation industry recovers. The Company has also sought to increase efficiency in income generation both at present and in the future, as well as increasing efficiency in cost competitiveness. The Company has successfully been delivered five Airbus A350-900 aircraft. They have been used to operate flights to China start from the second quarter of 2023, in line with the "Visa Free" scheme during the travelling season. They have also been used in other routes such as Hong Kong, Osaka, Nagoya, Seoul, Munich, and Melbourne.
- 2. Non-flight Business Restructuring The Company is in the middle of in-depth study to consider approaches and worthiness as well as the possibility of building on the current businesses by looking for potential partners with expertise to jointly invest with the Company in order to enhance opportunities of non-flight business including flight catering, ground services, aircraft and engine maintenance, cargo and mail. These are in order to enhance competitiveness, generate income and reduce costs for the Company.
- 3. Enhancing efficiency in continuously income generation for both flight and non-flight businesses In line with the above-mentioned restructuring approaches, the Company has increased flight destinations, frequency, and aircraft types to be appropriate with each period to accommodate the demands for travelling that have increased significantly especially for destinations such as Manila, Fukuoka, Supporo, and Gaya. The Company

has opened up new domestic routes such as Phuket from October 1, 2023 to help drive the tourism industry of Thailand. The Company has also developed strategic cooperation to expand its customer base through partner airlines such as Turkish Airlines to connect Thailand with Turkey, as well as other destinations in Europe, Africa, and Australia by using Turkey as a hub in connecting other airlines. The Company started flying to Istanbul seven times a week in December 2023. This also supports the Government policy in creating economic connectivities between Turkey and countries in Eastern Europe, and promoting tourism, trade and investment. Following the "Free-Visa" policy for tourists from China, India, and Taiwan, the Company is ready to help drive the country's tourism industry to accommodate the growth in demand of both domestic and international tourists. However, the Company regularly monitors the situations and implications on its business operations to consider increase or reduce flights to be in line with the market demands, both in terms of passengers and cargo, without losing focus on safety and confidence of passengers.

4. Restructuring of business operation in aviation business of THAI group - On May 17, 2023, the creditors' committee resolved to approve the restructuring of THAI's aviation business group according to the guidelines proposed by the rehabilitation plan administrators and the management. The key efficiency in aircraft management, enable the Company to plan and develop its route networks and better cover the needs of customers overall without impacting the services provided to customers. In 2023, the Company received the delivery of 16 Airbus A320-200 from THAI Smile Airways. It has operated some former THAI Smile routes since July 1, 2023. It will gradually receive delivery until 20 aircraft are delivered.

5. Exploitation of non-core assets which are no longer used in business operations - By selling real estate in Thailand and overseas and flight simulators.

The sales of real estate overseas

- Office in Rome, Italy
- Residential Unit on Nathan Road, Singapore
- Sales office in Manila, Republic of the Philippines
- Residence in Jakarta, Indonesia

Sales of Aircraft

- 1 Boeing B737-400
- 6 Boeing B747-400
- 2 Airbus A340-600

Sales of Engine

• 5 engines

1.1.2 Key Developments and Progress

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Human Resource Development

The Company has consistently fostered the promotion and development of its human resources to equip employees with the necessary knowledge, skills, and capabilities aligned with the Company's requirements. A Training Roadmap has been established, complemented by robust Knowledge Management initiatives in each department within the organization. Furthermore, employees are expected to possess a thorough understanding of the laws and regulations of both Thailand and other relevant countries.

The Company has conducted the following activities and projects to develop employees:

- Talent Management the project is to retain valued employees within the Company through the implementation of assessments and individual development plans. This initiative aims to establish clear career paths and succession plans, thereby preparing talented employees to seamlessly fill vacant positions and ensure the Company's stability for the future.
- Expansion of Capabilities training is conducted to focus on ensuring compliance with laws, rules, regulations, and proficiency in the English language, along with various other essential soft skills. Additionally, THAI Test of English Proficiency (THAI-TEP) has been made available to both employees and the general public as a means of generating revenue for the Company.
- Promotion of Reskilling and Upskilling the Company promotes training programs aimed at reskilling and upskilling employees following the implementation of the new organizational structure. This is to ensure that employees possess the necessary proficiency to adapt to evolving work modalities and encourages them to maximize their potential through engagement in multi-disciplinary tasks or multitasking endeavors.

- Development of Training Courses based on Laws and Regulations – the Company develops its training courses in accordance with the laws and regulations of Thailand, as well as international standards set by aviation agencies governing aviation safety and security. The Company is also accredited with ISO 9001:2015 certification, enabling it to provide training in occupational health and safety.
- Adjustment of Training the Company adjusts the training format to be diverse and tailored to align with circumstances, instructor expertise, and participants' needs. This encompasses conducting training sessions in classrooms, through e-learning platforms, and in virtual classrooms to promote continuous development and provide access to up-to-date information.
- Leadership Competency Self-Learning (LCS) the LCS project had been conducted continuously until June 2023. The project aimed to foster and encourage the management and employees with high potential to develop themselves through a learning platform under the notion of All-in-One Learning Experience, where learning can occur anywhere and at anytime. The project significantly contributed to the development of key leadership competencies, including three essential elements: 'Making It Happen,' 'Providing Solutions,' and 'Inspiring People'.
- Utilization of HR Training Dashboard the Company utilizes the Dashboard to facilitate the management of compliance training, aiming at ensuring employees adhere to laws, rules, and regulations. It is mandated that all employees participate in recurrent training sessions according to predetermined schedules.

Furthermore, the Company has now been certified by the Department of Labour Protection and Welfare to offer the following training:

- 1) Training of security personnel at the levels of management and supervisors, in line with Section 43 of the Ministerial Regulation on Security Personnel at Premises of Business Establishments B.E. 2565 (2022) during the period from September 22, 2023, to September 21, 2026.
- 2) Training of the Committee on Security, Occupational Health, and Work Environment of Business Establishment, in line with Section 43 of the Ministerial Regulation on Security Personnel at Premises of Business Establishments B.E. 2565 (2022) during the period from November 17, 2023, to November 16, 2026.

Financial and Accounting Management

In 2023, the COVID-19 pandemic had significantly eased, leading to rapid recovery of aviation industry across the world. With the increasing demand for travelling in the business and international tourism industries, the Company has had better financial liquidity. The Company has conducted the following measures to manage our finance, accounting, and oil price risks.

In terms of cash flow and financial risk management, the Company has managed the remaining cash flows in each currency at appropriate levels and sufficient for expenses, prioritizing net cash flows. As of December 31, 2023, the Company had no short-term loans from financial institutions and had no remaining Cross Currency Swap (CCS) or Interest Rate Swap (IRS).

In terms of accounting, the Company has complied with the Thai Financial Reporting Standard (TFRS) issued by the Federation of Accounting Professions. The standard had been in effect for the accounting period starting on or after January 1, 2022. Key accounting items during the Year 2023 are as follows:

In 2023, the committee of creditors approved the approaches on flight business restructuring whereby the Company received a total of 20 Airbus A320-200 from a subsidiary. The Company had also been transferred long-term liabilities for aircraft repairs and maintenance, other non-current liabilities and other expenses relating to flight business restructuring from

a subsidiary totaling THB 9,013 million. The amount is shown as expenses for flight business restructuring in the profit and loss statement and comprehensive profit for specific business operations for the year ending December 31, 2023.

In terms of the management of oil price risks, the Company has applied additional compensation for jet fuel for the amount beyond the base oil price in the cost of air ticket through fuel surcharge. The Company has been able to calculate an appropriate rate that is suitable with the market conditions, competition, fluctuations of jet fuel prices, market responses, and the speculation of changes in the expenses on jet fuel. As a result, in 2023, the Company had been able to charge sufficient amount to compensate for rising jet fuel prices.

Following this, the Company has not entered into any further transactions related to oil price hedging. However, the Company has continued to improve our policy on the management of oil price risks and evaluate activities to prevent risks to ensure that they are in line with the Company's situations and the recovering phase of the aviation industry.

In-Flight Service Management

First Class Service

To provide highest satisfaction for first class passengers, the Company has adjusted and added food menu for greater diversity and popularity in each route. Flight attendants in first class have had to attend additional trainings to ensure efficiency and professionalism.

Business Class Service

The Company has adjusted its business class service to best respond to the needs of passengers by reducing the preparation steps in order to increase satisfaction of passengers. There are three kinds of service in business class: Exotic Express, Transcend Thai, and Luxury Royal Service, depending on the number of flight hours. Flight attendants are trained to have special skill to take photos with mobile phones under the project "Snap a Journey". This is in order for flight attendants to be able to take excellent photos upon request by any passenger, creating memorable moments on flight, thereby creating a magical journey

while maintaining standards of hygiene of passengers during flight. The in-flight services are adjusted to conform to measures stipulated by the government and provisions of other countries to limit the spread of disease in flights.

Trainings of Flight Attendants

The Company realizes the importance of human resource development. In this regard, THAI has provided support for trainings of flight attendance following Competency Base Training to equip flight attendants with knowledge and skills on safety and aviation security, as well as in-flight services as required by the standards of regulators. These are key to enhance experience and achieve the highest satisfaction of passengers throughout the journeys (customer experience management), in line with policies and business strategies of the Company which aim to enhance capabilities of flight attendants so

that they develop the consciousness of professionalism, be well-rounded, and realize their roles in providing quality and safe services. They are to be proud of being THAI's flight attendants. This is crucial for the Company's image and our competitiveness in the global stage.

The Department of In-flight Operations Quality Control and Development has planned and conducted trainings of flight attendants at all levels every year to ensure constant self-development, including through recurrent and reskill trainings, and upskill trainings. Schedules for training are determined on an annual basis whereby the Department would gather data from various sources such as the passenger satisfaction survey from agencies such as SkyTrax, Qualtrics and others. The data is analyzed to find training needs before designing appropriate courses with modern method, leading to the fostering of good



conscience and attitude. Flight attendants will be able to develop communication skills, appropriate personality, and professional services with the charms of Thainess.

There are also more than 10 selective courses to enhance potentials in various areas for flight attendants, including third languages and understanding of various cultures. This facilitates flight attendants to be able to understand customers better. Other courses include those on personality and the use of social media. The Company is confident in the potentials of our flight attendants. The trainings are widely accepted and guaranteed by prizes of global standard every year.

Expansion of Channels to Distribute Products and Services to Generate Income from Domestic On-Ground Catering Services

The flight catering department has been focusing on improving new products and packaging to respond to the changing demands of consumers. There has been expansion of channels to distribute products to better access customer groups.

The COVID-19 pandemic has severely affected the operations of the Company. In this light, the flight catering department has accelerated its activities to develop and expand distribution channels for the Company's products. These include Puff & Pie bakery, snack boxes, and ready meals, as well as other products to generate greater income for the Company. Key expansion include online delivery service which utilizes the food delivery service platforms such as Shopee Food, Food Panda, and Robinhood. B2B (Business-to-Business) projects have also been formed with Tops Supermarket, Café Amazon, and Inthanin Coffee. The Company has also sought to expand our business partners, increase Puff & Pie branches, organize marketing activities on various occasions, as well as exhibit the Company's products at other premises to expand customer base and better access the targeted customer groups.

1.1.3 Fund Raising Objectives

Whether the utilization of fund was in accordance to the objectives

- In 2023, the Company held no fund-raising activities and did not issue bonds.

1.1.4 Obligations that the Company has given in the Offer for Sale of Securities

- none

1.1.5 Prizes



THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Prizes received by THAI in 2023

The 19th Edition Asian Business & Social Forum -Asia's Greatest Brands and Leaders 2023

- ASIA'S GREATEST CFO 2023
- ASIA'S GREATEST BRANDS 2023

Skytrax World Airline Awards 2023

- THAI was voted as the 8th World's Best Airline Cabin Crew
- THAI was voted as the 9th airline with the Best Airline Staff in Asia



Readers' Choice Awards 2023

- THAI was voted 1 in 5 airlines considered to be the Best Airlines
- Royal Orchid Plus: ROP was voted 1 in 5 airlines with the Best Frequent Flier Programs
- THAI was voted 1 in 3 airlines with the Best Economy Class



TTG Travel Awards 2023

- TTG Travel Hall of Fame
- Best Inflight Service

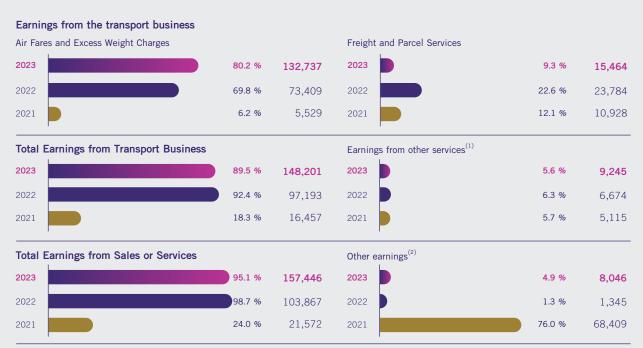


1.2 Business Operations

Earning Structure of the Company and Subsidiary

Earnings of the Company and subsidiary in the last three years:





Remarks:

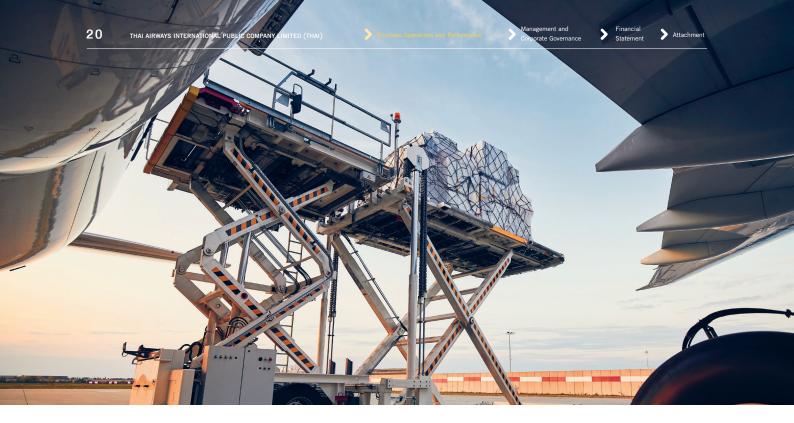
THAI is a listed Company in the Stock Exchange of Thailand (SET) and is a national flag carrier which offers commercial full-service aviation service with domestic and international routes. The Company divides its businesses into three groups: Air transport (Core Business), Business Units, and other businesses. Details are as follows:

1. Air Transport

Air transport is considered the core business of the Company. It involves the transport of passengers, parcels and mails to various destinations both through regular and charter flights, covering international and domestic routes. The service has been provided by Thai Airways International Public Company Limited and THAI Smile Airways Company Limited, a subsidiary.

⁽¹⁾ Earnings from other services include earnings from business units and non-flight business

⁽²⁾Other earnings include receiving interest rates, other earnings from profits due to the change in the proportion of investments, profits from sales of investment, and profits from debt restructuring.



2. Business Units

The Company's business units provide support for flight business. Each business unit is directly linked to air transport and operated systematically in congruent with each other to ensure that aircraft travels from the point of origin to the destination on time with convenience, speed, and safety which are key factors to increase confidence for the Company, and trust and satisfaction for clients. Details of businesses that are directly linked to air transport are as follows:

2.1 Cargo & Mail Terminal Services

The Company provides cargo and mail terminal services for air transport at Suvarnabhumi International Airport and cargo service at Chiang Mai International Airport. The services are comprehensive covering imports, exports, and transshipment. Various kinds of goods are transported by air such as temperature-controlled goods, live animals, valued goods, dangerous goods, urgent goods, and general goods.

2.2 Ground Services consist of two types:

2.2.1 Ground Customer Services – the services provide direct facilitation for passengers from the point of entry through various procedures to the aircraft and from the aircraft to the ground at the destination for incoming and outgoing flights with both pre-flight services and post-flight services. The services are offered for passengers of THAI and passengers of clients.

2.2.2 Ground Equipment Services – the services provide facilitation related to aircraft and the aircraft parking bay for the Company and client airlines to ensure highest safety, allowing aircrafts to take off and land on time.

2.3 Catering Services

The Company offers catering services for THAI passengers both domestic and international as well as passengers from other leading airlines. THAI also provides food-related ground services such as restaurants at various international airports across Thailand, Puff & Pie Bakery House, catering, employees' canteen, hospital food, and food at Airlines Lounges. Thai Airways International also enters into partnership with various organizations in food and beverage catering. These include Muang Thong Thani, Transport Company Limited, Amazon Café, and Inthanin Coffee.

3. Other Businesses

Other non-flight businesses include engineering, flight operations, and souvenir shops.

Air Transport



The Company is a national flag carrier of Thailand that offers air transport services as the core business. Our services include passenger transport, cargo, and mail delivery, covering various regions across the world.

1.1 Passenger Transport

The Company aims to continuously develop our market and route networks to enhance our competitiveness, focusing on developing Suvarnabhumi Airport to become an important aviation hub in the region.





Type of Products or Services

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

(A) THAI's Fleet

As of December 31, 2023, the fleet of THAI and THAI Smile Airways consisted of 70 aircraft. Of these, there were 34 wide-body aircraft that are used to operate inter-continental routes featuring Boeing B777-300ER and Airbus A350-900; 16 mid-body aircraft that are used to operate regional routes featuring Airbus A330-300, Boeing 777-200ER, Boeing B787-9, and Boeing B787-8, and 20 narrow-body aircraft that are used to operate short-haul routes featuring Airbus A320-200.





(B) Development of Routes and Destinations

In 2023, the Company had set a target to increase destinations and frequency of flights to accommodate the constantly increasing demands of passengers across the world while falling short of the pre-COVID era. The target would also enable the Company to achieve its goals as per the Business Rehabilitation Plan and the long-term sustainable growth. The Company plans and determines flight schedules and aircraft types to suit the conditions of the market at each destination. Flight frequency has been increased in potential destinations and new destinations have been established. We have also engaged our partner airlines to expand flight networks to cover customers of all target groups and increase flexibility in adjusting the schedules to accommodate demands that fluctuate with the seasons.

The Company has increased frequency of flights in the routes with high demands especially Japan and South Korea. We have also resumed our flights to China with the routes to Kunming, Beijing, Chengdu, Shanghai, and Guangzhou, from March 1, 2023.

Moreover, the Company has engaged strategically with partner airlines in the Star Alliance Group, namely

Turkish Airlines to fly to Istanbul, Turkey, seven times a week starting December 1, 2023. The two airlines have also signed a cooperation pact to operate code share flihts to enhance our connections between Asia-Pacific, Europe, and Australia, while stimulating travels between Thailand and Turkey, supporting the Government policy to connect Thailand to Turkey and countries in Eastern Europe and Central Asia. These have strengthened our flight routes and expanded our markets in countries that THAI has not operated in.

The Company has restructured its flight business whereby the Company has assumed the management of THAI Smile Airways Company Limited. The key objective is to enhance efficiency of fleet management to be able to plan and develop flight routes to cover the demands of passengers, accommodate seamless flight connections, and strengthen the competitiveness of the Company. THAI has received the delivery of 20 Airbus A320-200 aircraft from THAI Smile Airways and assumed the flight operations in 12 international routes, namely Yangon, Ahmedabad, Kolkata, Kathmandu, Gaya, Kaohsiung, Penang, Siem Reap, Hanoi, Ho Chi Minh City, Vientiane, and Phnom Penh, and nine domestic routes, namely Chiang Mai, Phuket, Udon Thani, Krabi, Khon Kaen, Narathiwat, Chiang Rai, Hatyai, and Ubon Ratchathani.

The Company has divided flight schedules into two seasons: summer schedule from the last Sunday of March to the last Saturday of October each year; and winter schedule from the last Sunday of October to the last Saturday of March each year. This is in line with the provisions of the International Air Transport Association (IATA). The Company also aims to adjust its flight routes in accordance with the Business Rehabilitation Plan. As of December 31, 2023, the Company and THAI Smile Airways had flight routes covering 60 destinations in 24 countries around the world. Of these, 51 were international destinations and nine domestic ones (not including Bangkok). Details are as stipulated in (C) Flight Routes.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

(C) Flight Routes

Domestic Routes

The tourism industry in 2023 recovered well. The Company has operated regular domestic routes by THAI Smile Airways to nine destinations with the frequency of 217 flights per week. Northern routes include flights to Chiang Mai and Chiang Rai. Northeastern routes feature Khon Kaen, Udon Thani, and Ubon Ratchathani. Southern routes include Phuket, Krabi, Hat Yai and Narathiwat. Since the fourth quarter of 2023, the Company has assumed THAI Smile Airways' flight operations for domestic routes to Chiang Mai from October 29, 2023, and Udon Thani and Phuket from December 1, 2023.

Corporate Governance

For Chiang Rai, Khon Kaen, Ubon Ratchathani, Krabi, Hat Yai, and Narathiwat, THAI has replaced THAI Smile Airways since January 1, 2024.



Domestic Flight Routes

	2023	2022	2021
Income from passenger transport (THB million)	6,563.4	5,628.5	2,037.7
Proportion of income from passenger transport (%)	6.2	9.2	38.4
Revenue Passenger Kilometers (RPKs) (million-KM)	2,177.9	2,139.4	870.4
Available Seat Kilometers (ASKs) (million seats-KM)	2,454.2	2,725.0	1,305.0
Proportion of passenger transport (%)	88.7	78.5	66.7
Number of destinations offered in flight schedules (Winter/Summer Schedules)	9/9	10/12	13/12
Number of regular flights (flights per week) (Winter/Summer Regular Flight Schedules)	217/217	259/254	243/200

International Routes

The Company provides a total of 507 international flights per week. The two main categories are Asian region routes 416 flights per week to 41 destinations in 16 countries, and inter-continental routes 91 flights per week to 10 destinations in 8 countries. Details are as follows:

Asian Region

The overall tourism industry in Asia has been recovering continuously. Countries/areas with the most tourists travelling to Thailand are Malaysia, China, South Korea, India, Viet Nam, Singapore, Lao PDR, Hong Kong, Japan, and Indonesia respectively. The Company operates 416 flights per week to 41 destinations in 16 countries. Asian routes are divided into five main routes namely North, South, West, Middle East, and Indochina.

Asian Flight Routes

	2023	2022	2021
Income from passenger transport (THB million)	52,703.4	26,112.7	1,025.3
Proportion of income from passenger transport (%)	50.2	42.6	19.3
Revenue Passenger Kilometers (RPKs) (million-KM)	19,368.1	8,954.3	228.1
Available Seat Kilometers (ASKs) (million seats-KM)	26,042.2	15,821.3	5,055.0
Proportion of passenger transport (%)	74.4	56.6	4.5
Number of destinations offered in flight schedules (Winter/Summer Schedules)	41/39	37/31	19/12
Number of regular flights (flights per week) (Winter/Summer Regular Flight Schedules)	416/374	379/274	79/38

Domestic Routes

Chiang Mai, Chiang Rai, Khon Kaen, Udon Thani, Ubon Ratchathani, Phuket, Krabi, Hat Yai, and Narathiwat





Northern Routes

The continued recovery of the tourism industry in the Northern routes, together with the opening up of China prompted the Company to increase flight frequency with high demands, namely to Japan and South Korea, and resume flights to China from March 1, 2023. The Company flies to 16 destinations in four countries with the total frequency of 156 flights per week, namely to Tokyo (Narita and Haneda), Osaka, Fukuoka, Nagoya, Supporo, Seoul, Manila, Taipei, Hong Kong, Kunming, Guangzhou, Chengdu, Beijing, and Shanghai.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

As for Kaohsiung, the Company has operated the route instead of THAI Smile Airways since October 29, 2023.

Southern Routes

Southern routes are still very competitive. The Company flies to five destinations in three countries with the total frequency of 63 flights per week to Singapore, Jakarta, Denpasar, and Kuala Lumpur.

As for Penang, the Company has operated the route instead of THAI Smile Airways since October 29, 2023.

Western Routes

In this direction, the Company mainly flies to India where there is high potential of visitors to Thailand since India has had high economic growth and is one of Thailand's targeted markets. THAI operates flights to 14 destinations in five countries with the total frequency of 131 flights per week to Delhi, Mumbai, Chennai, Bangalore, Hyderabad, Dhaka, Karachi, Lahore, and Islamabad.

As for destinations formerly operated by THAI Smile Airways including Yangon, Ahmedabad, Calcutta, Kathmandu, and Gaya, THAI has resumed operations instead of THAI Smile Airways to Yangon since July 16, 2023, Ahmedabad since September 1, 2023, Culcatta since October 15, 2023, Kathmandu since October 29, 2023, and Gaya since December 1, 2023. The Company has stopped flying to Chaipur since May 1, 2023.

Middle Eastern Routes

The Middle Eastern region has had the highest recovery rate compared to other regions. Yet it is also very competitive. The Company had therefore retained its operation to one destination in one country to Jeddah with the frequency of five flights a week until April 30, 2023. During May to July, the Company operated special flights for pilgrims of the Hajj as per normal practice. The Company then resumed our normal schedule on August 16, 2023. Since then, the frequency has been adjusted to three flights a week.

Indochina Routes

There has been constant recovery in this area. The Company operates flights to five destinations in three countries with the total frequency of 63 flights a week by THAI Smile Airways to Vientiane, Phnom Penh, Hanoi, Ho Chi Minh City, and Siem Reap. The Company has adopted a policy to restructure our flight business, leading to One THAI One Fly policy. In this light, the Company has operated CLMV flights instead of THAI Smile Airways since the third quarter of 2023 to Vientiane, Phnom Penh, Hanoi, Ho Chi Minh City, and Siem Reap. This is to strengthen the Company's networks in the region and internationally.

Inter-Continental Routes

The Company operates two key inter-continental routes, one to Europe and another to Australia and New Zealand, covering 10 destinations in eight countries with the total frequency of 91 flights a week.

European Routes

This direction has seen continuous recovery. The Company operates flights to eight destinations in seven countries with the total frequency of 70 flights a week to London, Frankfurt, Munich, Paris, Copenhagen, Stockholm, Zurich, and Istanbul in Turkey which is a new destination beginning on December 1, 2023.

European Flight Routes

	2023	2022	2021
Income from passenger transport (THB million)	35,065.9	23,327.9	1,996.4
Proportion of income from passenger transport (%)	33.4	38.0	37.6
Revenue Passenger Kilometers (RPKs) (million-KM)	17,116.7	12,381.1	950.8
Available Seat Kilometers (ASKs) (million seats-KM)	20,149.5	16,203.4	4,065.0
Proportion of passenger transport (%)	84.9	76.4	23.4
Number of destinations offered in flight schedules (Winter/Summer Schedules)	8/7	7/7	7/5
Number of regular flights (flights per week) (Winter/Summer Regular Flight Schedules)	70/63	63/61	27/10

Australia and New Zealand Routes

In 2023, the number of tourists from Australia and New Zealand routes had increased continuously. The Company operates flights to two destinations in one country with the total frequency of 21 flights a week to Sydney and Melbourne.

Australia and New Zealand Routes

	2023	2022	2021
Income from passenger transport (THB million)	10,722.1	6,306.4	243.8
Proportion of income from passenger transport (%)	10.2	10.3	4.6
Revenue Passenger Kilometers (RPKs) (million-KM)	4,482.4	2,636.5	98.3
Available Seat Kilometers (ASKs) (million seats-KM)	5,335.3	3,644.1	761.5
Proportion of passenger transport (%)	84.0	72.3	12.9
Number of destinations offered in flight schedules (Winter/Summer Schedules)	2/2	2/3	1/1
Number of regular flights (flights per week) (Winter/Summer Regular Flight Schedules)	21/21	21/17	7/2

Remarks:

- Includes income from regular flights, excess baggage charge, net income from the exchange of passenger transport with other airlines in which the tickets were sold by THAI according to codeshare flight agreements, and income from the sales of seats of other airlines that are not codeshare flights. Excludes income from flights that are not in the flight schedules, fuel surcharge, and insurance paid by passengers.
- Excludes flights that are not in the flight schedules and flights operated by other airlines but seats are sold by THAI. Includes flights that are operated by THAI but seats are sold by other airlines.
- Excludes Bangkok. The Winter Flight Schedule begins on the last Sunday of October until the last Saturday of March. The Summer Flight Schedule begins on the last Sunday of March until the last Saturday of October.

(D) Customer Services

In 2023, the Company continued to improve our products and services at every key service destination to ensure that customers in each target group receive outstanding flying experience with a tinge of Thainess. The Company has stipulated our Brand Position Statement as the Magical Journey of Leisure, adopting the six senses to fulfil our services covering Pre-Flight Services, In-Flight Services, and Post-Flight Services. The clear work plan, principles, and image are based on the notion of Service from the Heart with Touches of THAI, in which every employee has adhered to over the last six decades of service. THAI has adopted marketing principles on Point Of Parity (POP) and Point Of Difference (POD) to design services and creates good experience for customers. In other words, the Company first tries to improve our services to be on par with our competitors in accordance with the standards of high-quality airlines (creating POP). After that, the Company would create differences (POD) that customers want with touches of Thai and soft power. The differences of THAI adheres to the Functional Benefit Difference and Emotional Benefit Difference to ensure that the experience that customers receive along the journey is truly the Magical Journey of Leisure. The Company is fully aware that quality of customer service is key to success in transport industry. It will enable the Company to compete with competitors sustainably.

To emphasize our excellent, constant and of good standard, in which customer service is key to our business operations, the Company has produced Service Level Agreement (SLAs) with every key destination and stipulated Service Operation Procedure from the point of booking to the end of journey. Assessment and monitoring of quality are carried out at every service point continuously to be in line with

the SLA and Service Operation Procedure. The assessment is done by both internal and external agencies, random checks (mystery shopping), and Brand Health Check through THAI Customer Satisfaction Survey (TCSS), as well as the quality assessment of products and services by institutions that are widely accepted internationally. The results are analyzed and presented in the Customer Experience Committee (CXC) to ensure that every department related to customer service is aware and utilize the data to improve their respective work. Customers will therefore receive highest satisfaction from using our quality products and services throughout the journey.

Apart from providing good customer experiences, inducing brand loyalty, the assessment and compliance with good service agreement also helps the Company maintain our old customer bases, and word of mouth especially from customers who like to speak about their favourite brands (Brand Advocates) on social media platform. The details of customer service development in each step are as follows:

Pre-Flight Services

The Company has developed a system to provide services through the internet, electronic, and mobile service to enhance convenience and speed for customers in accessing relevant information related to their journeys especially booking information, details about the flight, flight schedules, as well as information for all customers whenever there is any change in flight. More payment channels have been developed on the website. Passengers can also check in online through the internet on devices including mobile phones, and kiosks. At airports, we have increased the THAI Baggage Drop at Suvarnabhumi International Airport for passengers conducting e-Check in.

In-Flight Services

The Company is committed to developing the services of flight attendants to be in line with the needs of passengers by focusing on diversity, food hygiene, and personalized services for First Class, Business Class, and Economy Class passengers. We have changed utensils, food and beverage menu on offer to be appropriate with the needs of customers and the diverse range of characters in each flight.

In terms of in-flight devices, the Company has selected and procured equipment for in-flight world class services. This is the touch point of Five Star Airlines Rating. The devices are as follows:

- AKG headphones for First Class and Business Class passengers
- Comfort Wears from Boggi Milano for First Class passengers
- Porsche Design amenity kit for First Class passengers
- Amenity kit for Business Class passengers from Thai brands that are renowned internationally such as VVon Sugunnasil and Jim Thompson.
 The products are produced with materials that are environmentally friendly.

In improving food and beverage services, the Company adheres to three principles, namely:

- 1. Benefits for Customers or Customer Centric the Company gathers data from TCSS and analyze the needs of customers to improve food and beverage. Interesting stories of food and beverage are utilized to create story value for highest satisfaction in which functional and emotional benefits are achieved.
- 2. Benefits for society and the country the Company provides support for farmers by bringing local products in Thailand to serve on our flights. This helps create jobs in communities. We select products that focus on sustainability. Arguably, the Company also helps the Thai economy to grow from a different perspective.

3. Benefits for THAI – the Company gains quality products at affordable prices to serve customers, while promoting THAI brand and generating satisfaction and good experience along the journeys, in accordance with the Customer Centric mission.

Planning menu is divided into Standard Menu provided in-flight, and Promotion Menu. This type of menu will be put in the Pre-Selected Meals in the e-System for passengers to choose before boarding the flight.

Equipment and Services

The Company plans to provide services based on Customer Centric approach to respond to customers' needs and support the excellent work of flight attendants. Details are as follows:

1. Improvement of In-Flight Entertainment

There have been improvements in terms of the number and types of entertainment. The Company selects films and TV programs that are diverse and comprehensive. New media such as Audio Books, and Playlist have been introduced to pair with food, beverage, and the travelling atmosphere.



2. Digital Development

The Company has improved a number of systems to suit the New Normal lifestyle which reduces touching. We have strengthened our services through Digital Magazine, THAI e-Library, and Pre-Selected Meals. Digital development opens up opportunities for First Class and Business Class passengers and those with ROP Platinum and Gold are able to choose their food beforehand. This is to reduce the possibility of passengers not receiving the food they want. The Company has revamped www.royalorchidholidays. com and https://sawasdee.thaiairways.com to make it even more convenient to look for and book an accommodation, as well as other lifestyle and various travels.

3. WiFi Onboard

The Company has adjusted its WiFi Onboard policy to Revenue Sharing Model with our partners to reduce investment risks in buying data and reselling it to customers. The package is sold as Unlimited Package with three types: Chat & Message, Browsing, and Streaming. This package is provided to First Class passengers and Royal Orchid Plus Platinum members without charge.

4. Food and Beverages

The Company has improved its food and beverages to enhance satisfaction of passengers including menu improvement. The services in Business Class have been enhanced with Barista Onboard scheme with selected coffee beans, in which Doi Tung Development Project Chiang Rai Province presents Black Silk Blend as an exclusive coffee blend only for THAI. The coffee beans are produced from sustainable sources. They are served with Kan Vela, a world-class Thai chocolate brand that uses cocoa beans from Khlong Loi village in Prachuap Kirikhan province. The coffee is dripped meticulously right in front of passengers. The coffee and chocolate are served throughout the flights, together with special Thai menu crafted by Chef Bo, Duangporn Songvisava. Oscietra Caviar from Europe and extra virgin olive oil are also served in-flight. The wine menu in First Class and

Business Classes have also been overhauled with more New World wine list and a selection of wine that goes very well with Thai food.

5. Other Products

THAI cooperates with Jim Thompson, a leading Thai brand, to design and develop amenity kit bags for Business Class passengers. The focus is also on presenting Thai brands that are environmentally friendly such as ERB to passengers in Business Class.

(E) Flight Operations, Safety, Flight Safety, and Flight Standards

Safety in flight operations is another crucial feature of aviation business. Over the past six decades, the Company has been committed to provide highest safety for passengers, emphasizing compliance with safety standards according to the provisions of the Civil Aviation Authority of Thailand (CAAT), International Civil Aviation Organization (ICAO), European Aviation Safety Agency (EASA), International Air Transport Association (IATA), and other agencies that are in charge of safety and flight safety of civil aviation across the world.

The Company is ready to improve our organization, while providing support and cooperation with the Civil Aviation Authority of Thailand (CAAT) to ensure that Thailand conforms to international aviation standards. The Company has supported information for the assessment of Thailand in accordance with the Global Aviation Safety Plan (GASP) and the Global Air Navigation Plan (GANP) of the International Civil Aviation Organization (ICAO).

In 2015, the Company received Third Country Operators (TCO) license from EASA with approval from EU Air Safety Committee (ASC). With this license, the Company is able to continue its operations to the EU. In 2017, the Company has received a new Air Operator Certificate (AOC) and Dangerous Goods Certificate. This reflects the potentials of the Company in transporting passengers, agricultural products, and fresh food,

including other goods with safety controls. These are complementary to Thailand's strategy in becoming an industry and logistics hub.

The Company conducts Operational Compliance Internal Audit to ensure full compliance with the relevant regulations. Improvements are done continuously. Thus the Company is ready to accept external evaluation. In 2004, THAI was the first airline in Thailand that passed the IATA Operational Safety Audit (IOSA), and has since received certification continuously every two years. The latest was in January 2023. The Company has also passed the IATA Safety Audit for Ground Operations (ISAGO) since 2017.

Civil aviation regulators of countries around the world still pay great attention to the aviation safety evaluation of airlines from Thailand that fly into each country. The Company has had performance that conforms to international standards and passes the Safety Assessment of Foreign Aircraft from every safety regulator. There have been times when errors have occurred, yet the Company has been able to resolve them within the given time. The Company aims to foster corporate culture of safety whereby the Company has applied safety principles that focus on fostering positive attitude among employees to review work processes, evaluate, and change them to suit various changing situations in order to ensure efficiency at work and highest level of safety.

The Company has adopted the Security Management System (SeMS) that is an international standard to help supervise aviation safety to ensure highest level of safety for aircraft, passengers, employees, and staekholders. This is in line with the Company's Security Policy and standards and regulations of relevant organizations and agencies both domestic and overseas, namely:

- International Civil Aviation Organization (ICAO)
- Civil Aviation Authority of Thailand (CAAT)
- European Union Regulations (EU Regulations)
- Aviation Safety entities in countries that THAI operates in

The Company's performance is in line with international standards. THAI has passed the evaluation of every aviation safety regulators without any significant deficiencies.

The Company has established THAI Operations Control Center (TOCC) to improve the efficiency in operations, coordination, and orders of various operation centers in order to solve the problems very quickly and more effectively. These will lead to satisfaction of passengers and freight transport. They will also help reduce the number of flight delays and increase the efficiency of schedule timeliness, thereby reducing operational costs.

During the COVID-19 pandemic, THAI strictly complied with the measures of the Ministry of Public Health. Protective measures were applied to services. The Company also strictly complied with disease control measures of destination countries, allowing for COVID-free freight and passenger services throughout the Years 2020-2023, with confidence from passengers, domestic and overseas.

With awareness of passenger safety gained during the COVID-19 pandemic, the Company has put in place a Special Handling Procedure during COVID-19, starting from the flight preparations of pilots and the crew, aircraft cargo loading, to the preparations for boarding. These are to ensure COVID-free work environment for both flight attendants and passengers in accordance with the measures determined by the government.

The Company has developed capabilities of aviation-related employees in line with international standards, while having the highest safety conscience. THAI selects employees of international standards, whereby readiness tests are conducted on their physical and mental characters, knowledge, skill, and behavior. The Company's pilots must pass the aptitude test from Scandinavian Institute of Aviation Psychology (SIAP) in Sweden. The Institute is well-known and widely accepted in its selection of pilots for world-leading airlines. Pilots of THAI must also pass the Aviation

Psychology Test of the Institution of Aviation Medicine, Royal Thai Air Force, and Ride Check, as well as English ICAO Proficiency test. Flight attendants are regularly trained both in theory and practice on safety and services, thereby equipping the flight attendants with professionalism, attitude and service mind, as well as a high awareness on safety and security.

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The Company has developed a course on Safety Management System (SMS) to train operational employees to enhance their awareness and understanding on SMS during flight, adhering to standards and provisions of the International Civil Aviation Organization (ICAO), thereby making the Company among the first airlines in the region with development in SMS. Moreover, the operations department has continuously developed SMS course. Recently, a specialist content has been developed within the SMS course for pilots, crew, and operational staff. Areas include hazard identification and risk assessment, as well as safety reporting to stimulate participation and awareness on operational safety. Managers must be knowledgeable in safety assurance. THAI's SMS development aims to ensure that the safety system is efficient and modern, accommodating changes in SMS knowledge of International Civil Aviation Organization (ICAO). The ultimate goal is to provide the highest level of safety in every THAI flight.

The Company has set up the Occupational Health and Safety Committee (OHSC). Managers of safety agencies of each entity and managers of related entities participate in the Committee to plan, determine policies and approaches in conducting operations in line with the Occupational Safety, Health and Environment Act B.E. 2554 (2011) and other relevant laws.

The Company is fully aware that human resource is the most valuable resource that must be protected. Hence, the Company needs to look after safety, health, and hygiene of everyone, while operating the business. In this regard, the Company has stipulated a policy on safety, occupational safety, and work environment. Key details include the need for protection of health and safety of employees, as well as promote health and hygiene of employees through a number of activities in the themes of good health, good emotions, good relaxation, and good society. The benefits of employees are of paramount importance. The Company has therefore asked employees of all levels to attend the training on safety, occupational safety, and work environment. This way, employees will be aware of danger and risks from work. Managers and leaders of agencies/departments are to be trained in the course on safety for those working at the management and supervisor levels. They are assigned to supervise the work on safety, occupational health, and work environment in each premises efficiently.

The Company monitors health and protects diseases from work. Evaluations on danger and risks that may affect the health of employees working in various regions. Employees who are at risk are to have their health screened annually in accordance with the standards stipulated by the Company. This includes new employees and employees who change their assignments to certain tasks with different risks. The Company also monitors the health of employees to prevent them from contracting diseases at work, as well as controls, makes corrections on the work and work environment to ensure safety and avoid accidents and dangerous environment. Measures are in place to guide managers, employees and relevant stakeholders, covering safety management of entities, operators, and contractors or subcontractors by providing safety tools and equipment including personal protective equipment that are of good safety standards. Analyses and health risk assessment have been conducted. There are also measures to control risks within the risk appetite.

Overall, in the aviation operations, the Company has focused on the highest level of safety standard and excellent inflight services, adopting modern information technology and safety measures that are internationally

accepted while applying them to Thai characters. The Company is committed to maintain quality, safety, and security. Aviation standards are to be in accordance with international standards. Compliance with rules, regulations and relevant laws has always been on top of the agenda. The Company will continue to be proactive on safety and security.



Management and
Corporate Governance

(F) International Standards Matrix

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

International Standard Certification	Certifying Entity
TCO: Third Country Operator Aviation safety standard that allows flights into the EU from EASA (European Union Aviation Safety Agency)	European Union Aviation Safety Agency (EASA)
EASA Part-145 Maintenance organization of the EASA	European Union Aviation Safety Agency - Approved Maintenance Organization
14 CFR Part 145 FAA Repair Station of the Federal Aviation Administration of the United States	Federal Aviation Administration of the United States
IOSA: IATA Operational Safety Audit	International Air Transport Association (IATA)
ISAGO: IATA Safety Audit for Ground Operation	
CAAT AMO.0013 Domestic Approved Maintenance Organization Certificate (Department of Civil Aviation, Thailand)	The Civil Aviation Authority of Thailand (CAAT)
Regulated Agent (RA)	
Air Cargo or Mail Carrier Operating into the Union from a Third Country Airport (ACC3)	Luftfahrt-Bundesamt, Germany
Good Distribution Practice (GDP)	MS Certification Services Pvt.Ltd.
World Health Organization Standard	(International Accredited)
ISO 9001:2015 (Quality Management System) ISO 14001:2015 (Environment Management System)	Bureau Veritas Certification (Thailand) Limited
HACCP: Hazard Analysis and Critical Control Points for Food Production GHP: Good Hygiene Practice for Food Production	
HALAL (Halal Standard)	The Office of Islamic Committee of Samut Prakarn
HAL-Q (Halal Standard)	The Halal Science Center, Chulalongkorn University
ISO/IEC 17025:2017 (General requirements for the competence of testing and calibration laboratories)	Thai Industrial Standard Institute, Ministry of Industry

(G) Investment Promotion Benefits

According to the Resolution of the Cabinet on November 30, 2004, the Company, as a state enterprise operating as a public company, has been granted the eligibility to receive investment promotion for additional investment related to aviation business.

The Company submitted the request for investment promotion for aircraft procurement to the Board of Investment of Thailand on August 2008. The request for investment promotion followed the year of aircraft delivery and aircraft type. In 2023, the Company was granted such investment promotion for two investment projects for the procurement of 7 A350-900 aircraft. As a result, the Company possesses a total of 23 investment promotion certificates for 69 aircraft.

At the end of 2023, the Company possessed 14 investment promotion certificates for 41 aircraft in which the tax exemption benefits lapsed. As a result, the Company now possesses nine remaining investment promotion certificates with tax exemption benefits for 28 aircraft. Details are as follows:

No.	Certificate Number	Aircraft Type	Procurement	Number of Aircraft
1	2363 (2) / 2556	A350-900	Operating Lease	2
2	2364 (2) / 2556	A350-900	Finance Lease	2
3	2365 (2) / 2556	A350-900	Operating Lease	6
4	2366 (2) / 2556	B787-9	Operating Lease	2
5	2367 (2) / 2556	A350-900	Finance Lease	2
6	65-0130-1-00-1-0	B777-300ER	Operating Lease	3
7	65-1587-1-00-1-0	A350-900	Operating Lease	4
8	66-1217-2-00-1-0	A350-900	Operating Lease	2
9	66-1479-2-00-1-0	A350-900	Operating Lease	5

Benefits from Investment Promotion

- 1. Corporate tax exemption for net profits from operations from aircraft with investment promotion for the period of eight years for investment promotion certificates number 1-5, and for the period of five years for investment promotion certificates number 6-9 (starting from the date when the aircraft gains revenues from operations). The total sum of corporate tax exemption must not exceed 100 percent of the investment for each aircraft procurement.
- 2. Value added tax from the import of aircraft into the Kingdom.

The Company submitted the request for corporate tax exemption from the Company's performance between 2010 and the end of December 2023. The total of corporate tax exemption was THB 1,502.32 million.

Routes to the Kingdom of Cambodia, the Lao PDR, the Republic of the Union of Myanmar, and the Socialist Republic of Vietnam

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

include Phnom Penh, Siem Reap, Vientiane, Yangon, Hanoi and Ho Chi Minh City





Markets and Competition

(A) Key Product and Service Marketing

Policy and Nature of the Markets

The key objective is to maintain the image of the airlines as a world-leading full service airlines with excellent service quality and standards, responding to demands of all groups of customers. Despite the fact that the COVID-19 pandemic has eased, the Company has adjusted our strategies in accordance with the circumstances in each country, taking into account a number of important information such as travel restrictions, economic conditions, behavior, and the need for travel of passengers in each market. Such information is used to adjust the flight schedules including resuming flights for potential destinations. These are in order to maintain revenue opportunities for the Company.

As for potential markets that are not feasible to arrange appropriate flight schedules due to a number of factors, the Company focuses on the utilization from Interline Agreement, Special Prorate Agreement (SPA), and Codeshare Flights between various airlines to accommodate the demand for aviation business expansion to increase opportunities for ticket sales in order to increase revenues for the Company. This will result in the Company having additional income in routes that the Company operates and connects with other airlines as codeshare flights. Moreover, such agreements will enable the Company to expand our services to other destinations and increase the image of the Company for both domestic and international markets.

At present, the Company engages into Codeshare Flight agreements with a total of 24 partner airlines, comprising 14 Star Alliance airlines, namely Air Canada, EVA Airways, Lufthansa, Austrian Airlines, Asiana Airlines, Egypt Air, All Nippon Airways, Air New Zealand, Swiss International Airlines, Scandinavian Airlines, Brussels Airlines, Turkish Airlines, TAP Portugal Airlines, and Shenzhen Airlines.

For non-Star Alliance Airlines, the Company engages into Codeshare Flight agreements comprising 10 airlines, namely Royal Brunei Airlines, Emirates Airlines,

El Al Israel Airlines, Gulf Air, Lao Airlines, Malaysia Airlines, Pakistan International Airlines, Oman Air, Bangkok Airways, and Nok Air.

Revenue Generation Plan for 2023

Since the second quarter of 2023, there have been changes in aviation business due to the easing of travel restrictrions of various countries and the significant increase in demands for travelling. The Company has therefore adjusted our sales strategies, ticket sales, and the revenue generation plan to be in line with the increasing demand for travelling:

- 1. Determine destinations through flight analysis in order to pinpoint the demand for travelling, the needs for travelling, and travel restrictions both for departure and arrival. Each flight must generate profits for the Company.
- 2. Focus on highly efficient use of aircraft, in line with flight routes in each market, while limiting the type and number of aircraft in order to control expenses for repairs and maintenance.
- 3. Emphasize network sales to connect destinations in each region around the world, in line with the quantity and the need of travelling of passengers in each route.
- 4. Coordinate with public and private entities to present and conduct charter flight operations as well as special flights to transport passengers in accordance with the needs of each organization.
- 5. Coordinate closely with the cargo department to enhance income generating opportunities for the Company by using income from the transport of goods as part of the portion used to calculate returns for each flight.

Moreover, the Company has accelerated cooperation projects on non-air passenger transport to cover and connect to main air routes of the Company. Our partners include trains, public buses, limousines, rental cars, and cruise ships. Such projects will expand the opportunities to sell tickets to passengers both at the points of origin and destinations, in line with the varying demands of passengers and to build on and expand the services to include all types of transportation.

Plan to Support Marketing and Sales

The Company has laid out an appropriate policy for THAI and THAI Smile Airways to support marketing and sales. For other partner airlines flying domestic routes apart from THAI Smile Airways, the Company adopts the THAI Group strategy as a tool to manage costs and expand flight routes both at domestic and regional levels. This is to enhance competitiveness and coverage of customers of all groups. The strategy is titled "One Network Under THAI Group". Moreover, there are strategies on flight operations, passenger services, Special Prorate Agreement (SPA) and Codeshare Flights.

Plan on Activities to Support and Promote Marketing

The Company coordinates with business partners such as Tourism Authority of Thailand (TAT), Thailand Convention and Exhibition Bureau (TCEB), banks, credit card companies, hotels, and other tourism-related entrepreneurs, as well as leading media outlets, in order to organize marketing activities to stimulate travelling through special promotions through Royal Orchid Holidays (ROH), and Royal Orchid Plus (ROP).

Plan on Supervising and Controlling the Standard of Customer Services

The Company enters into a Service Level Agreement (SLA) to evaluate every service point continuously to ensure that customers will receive the highest satisfaction from the use of quality products and services. Monitoring is in place to ensure that the quality of services are in accordance with Service Operation Procedure. This is carried out by random inspections (mystery shopping) as well as satisfaction survey by comparing different products, and third party survey. The reason for this is to ensure that customers

in each target group receive outstanding flying experience, elegance, and with a touch of Thainess, starting from Pre-Flight Services, In-Flight Services, to Post-Flight Services. The Company aims to provide excellent services, in line with standards. In this regard, the Company has set up the Customer Experience Committee (CXC) to ensure that the management of customer experience is efficient and covers all touch points throughout the customer journey, resulting in the highest satisfaction and return of customers for the Company's products and services.

Policy to Restructure Flight Businesses

The main aim is to enhance efficiency of the management of fleet to ensure that the planning and flight networks cover all the needs of passengers, accommodate flight connections in a seamless manner, and correspond to the National Strategy in strengthening the country's tourism industry and propelling Thailand to become an Aviation Hub in the region, while enhancing THAI's competitiveness in a number of aspects. The Company's Committee of Creditors has approved the restructuring of flight business as per the approach presented by the Rehabilitation Plan Administrators and the management on May 17, 2023. Since then, the Company has gradually revoked sub-lease agreements with THAI Smile totaling 16 aircraft out of 20 until December 31, 2023. Hence, since July 2023, THAI Smile Airways had gradually cancelled its routes according to the remaining aircraft, in line with Fleet and Route Transition Plan produced specifically for the aforementioned Restructuring Policy according to the One THAI One Fly policy. Flights to CLMV countries (Cambodia, Lao PDR, Myanmar and Vietnam) started to be replaced by THAI followed by other routes.

Marketing and Sales Strategies

With the fleet in accordance with the above plan, the Company as a major shareholder of THAI Smile Airways has determined strategies to fly domestic routes and international routes with potential, focusing on domestic tourists and those who need to connect between THAI and our partner airlines to enhance aviation networks at domestic, regional and

international levels. The following marketing activities have been carried out to respond to the needs of customers:

1. Marketing and Sales Promotion in 2023

Conducted marketing campaigns, promoted and supported tourism industry in each local area according to flight routes, conducted early sales with Early Bird or Advance Purchase tickets of special prices to stimulate advance bookings for each flight. Seasonal promotions were also conducted to raise awareness and promote sales such as Double Date and Half Year Promotion to promote travels outside the tourism season.

2. Marketing Activities both Domestic and Abroad

The Company promoted and supported tourism in each local area, publicized and participated in marketing activities together with public and private entities in each destination, and cooperated with credit card, tourism industry, and e-commerce partners.

3. Promotion of Sustainable Tourism

The Company recognizes the importance of environmental policies and the need to build on ecoefficiency whereby THAI Smile Airways had participated in activities to reduce carbon dioxide continuously. In this regard, the Company received Five Star Rating from Sustainable Tourism Acceleration Rating (STAR) from the Tourism Authority of Thailand, with a view to promote the UN's Sustainable Development Goals (SDGs).

4. Sales Promotion through Digital Channels

Due to the restructuring of the Company's business of One THAI One Fly, THAI Smile Airways has stopped providing services on the website www.thaismileair. com and all other digital distribution channels from December 16, 2023. The Company carried out the following in preparation for the implementation of the above policy.

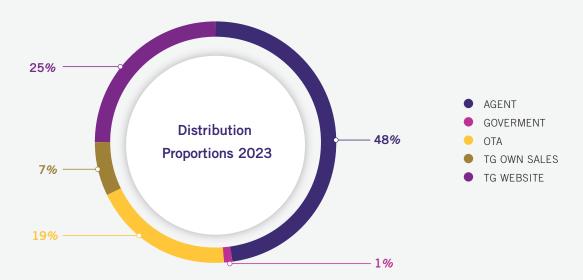
- Informed vendors and other partners on the restructuring plan in order to have in place the necessary preparations before December 16, 2023. The Company also discussed with vendors and partners of the possibility to transfer passengers to THAI's system for common goods and services of partners.
- Increased the number of communication channels through organic channels both for THAI Smile Airways and THAI by asking for cooperation in publicizing continuously in order to inform a wider range of passengers.
- The Company is in the process of overhauling the website and mobile application to accommodate passengers. This will lead to greater convenience and another channel to communicate with passengers in accordance with One THAI One Fly Plan. It is an integration of various tools to provide services and facilitate passengers.

5. Cooperation with Partner Airlines

During the implementation of the restructuring of the Company's flight business and the transfer of flight services from THAI Smile Airways to THAI, THAI Smile Airways sold its tickets operated by THAI as codeshare tickets to enhance sales and revenues while maintaining the experience of seamless and continuous services.

6. Support for Distribution Department

Popularity of distribution channels changes according to customer behavior and the development of technology through various online and offline channels. In 2023, the proportions of the Company's distribution channels were as follows: agents at 48%, website at 25%, Thai Contact Center at 7%, online travel agents at 19%, and government sales at 1%, respectively.



In order to limit the effect on passengers during the transition period, THAI Smile Airways has stipulated the following guideline for passengers due to the gradual cancellation of flights:

- 1. THAI Smile Airways informed passengers of the cancellation or the termination of flight services both domestic and overseas regularly through the website www.thaismileair.com and LINE Official and Facebook Fanpage.
- 2. In cases where THAI replaced THAI Smile Airways on the same date and time, THAI Smile Airways would transfer all passengers onto THAI flights.
- 3. In cases where THAI Smile Airways terminated the flight routes and THAI did not operate in those routes, THAI Smile Airways would issue full refund for passengers whereby affected passengers may request for refund through the Call Center 1181 or 02-118-8888 (line available everyday from 06.00-21.00 hrs.) or THAI Smile Airways Contact Center stationed at domestic airports or through email: customer.service @ thaismileair.com
- 4. For other aspects, THAI Smile Airways would strictly follow the Customer Service Procedure Irregularity Guideline.

Revenue Management Plan and the Development of Distribution Channels

Revenue Management Plan

- Focuses on ticket sales through the Company's website and THAI sales offices in various points to reduce reliance on agents and costs related to sales.
- Explores new markets and new customer groups by focusing on passenger groups with a variety of demands by developing products and services in response to the needs of each group of customers (customer segmentation), and the provision of charter flights.
- Adopts a new pricing strategy using Fare Families, which is an integration between the determination of prices of full service airlines and the determination of prices of low cost carriers (LCCs). This is a new pricing strategy whereby privileges are different at every price level. The level of prices will also change according to journey type, journey time and the number of days that the tickets are bought in advance. Price determination is done for every flying points of THAI, THAI Smile Airways and other partner airlines, thereby increasing the Company's revenue.

Additional Revenue Sources

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Apart from the core business of transporting passengers by air, the Company also provides various products and services such as the sales of preferred seats, and charging for excess baggage. Moreover, the Company has offered online shopping for products and services including the sales of insurance, rental cars, hotels, limousine services, and activities, as well as the sales of the Company's products such as THAI Shop products. The Company also selects various products that are of good quality and interesting from places in Thailand and abroad. These include products under the supervision of the Ministry of Commerce and OTOP products. Not only does this help promote Thai products, but it also supports the government policy and complements the ASEAN Economic Community (AEC). The Company possesses capabilities to seek additional revenues from non-flight businesses by exploring complementary business cooperation, as well as negotiate with new business partners to build on the current business foundations, in order to strengthen flight business, correspond to lifestyle of new generation of customers who want convenience, speed, and brand value, thus allowing the Company's website to have more roles and become even more strengthened, while creating good impression through customer experience management, additional services of booking a hotel, tourism activities, and other services by Royal Orchid Holidays.

Air transport, tourism, and cargo are businesses with outstanding characteristics. They constantly attract attention from consumers in Thailand and neighboring countries. The Company has laid down strategies to accommodate demands of customers in a comprehensive manner. Customers are able to buy the Company's products online and goods will be delivered with convenience. They are able to buy quality additional services that are worthwhile. Such services have been carefully selected by THAI, in accordance with the tastes, objectives, and demands of passengers along the routes. Those additional services enable THAI's passengers to have good experience throughout the journey. They will share their experience online. Through word of mouth, they

and their friends will come back to THAI's exceptional services.

Customer Groups and the Development of Distribution Channels

The Company has in place a strategy to appropriately manage distribution channels, taking into account the current circumstances and conditions of the Company. Tickets are sold through every distribution channel while channels such as Direct Offline, Direct Online and Agency have their efficiency enhanced. There have been efforts to open up new distribution channels to enable customers to access the Company's products in a smooth, convenient, and speedy manner.

In addition, THAI's products are introduced onto other potential platforms or marketplaces to expand to other customer groups.

In 2023, the Company increased our frequency of flights to India, South Korea, China, Japan, and Australia, and opened up a new route to Turkey, in an effort to accommodate the need to travel of passengers in each of the abovementioned market. Flight business has been restructured by replacing THAI Smile Airways in every route to enhance the fleet potentials and networks, resulting in better returns and performance.

Improvement of Distribution Channels

To enable customer groups to access the Company's products in a convenient, speedy, and comprehensive manner, the Company distributes our products through the following key channels:

- direct sales through the Company's website (www.thaiairways.com)
- sales through ticket offices in Thailand and
- sales through agents in Thailand and abroad
- sales through online agents via websites that offer flight ticketing and tourism package services

Key customer groups include tourists, business travellers, students, workers, and travellers with objectives to visit friends and relatives (VFR).

Due to the outstanding debts with various sales agents across the world and the fact that THAI is in the process of repayment, the sales campaigns and promotional activities from sales agents have been limited. Moreover, to reduce sales-related costs, the Company has stopped given commissions to sales agents. Bookings made through agents could be managed well in line with the targets, enabling the Company to manage seat reservations to generate highest returns in each flight. Yet, the Company has not been complacent. We have therefore made additional efforts to generate returns from every distribution channel in the most efficient manner.

Network Sales and the Star Alliance Airlines Partnership

The network of airlines in the Star Alliance covers every continent, opening up the opportunities for the Company to reach markets beyond our own routes through Interline/Codeshare cooperation with members of the Star Alliance. The Company has made it our target to increase the number of Interline/ Codeshare cooperation with members of the Star Alliance to provide more alternatives for customers and generate more revenue for the Company. Being part of the Star Alliance also enhances the standards and service quality to generate good experience and highest satisfaction of customers throughout the journey, in line with the strategy of Star Alliance, "Making Customer Journey Better through Digital Technology. At present, Star Alliance comprises 26 airlines, operating more than 16,000 flights a day to 1,200 destinations in 188 countries around the world.

THAI Contact Center (TCC)

THAI Contact Center (02-356-1111) is the first point of contact that customers will decide whether they will continue using our services or not. The Company therefore realizes how important this is. Customers will be served according to the standards of the Call Center. We also try to accommodate customers' expectations by offering services from experienced staff to enhance efficiency and satisfaction of customers.

The Company has in place a number of channels to receive feedback from customers including telephone,

email, TG Chatbot "MAI" (M-Management, A-Assistant, I-Information) through LINE and Facebook Messenger, as well as special telephone hotlines for customers in First Class, Business Class, Royal Orchid Plus Platinum, and Gold Members.

In 2023, Customer Relationship Management (CRM) has been adopted to increase efficiency in serving customers in a speedy and comprehensive manner. At present, the THAI Contact center has been able to provide satisfactory services to customers and generate higher revenues for the Company, compared to previous years.

Digital Commerce

The fast growing digital distribution channels and the constant changes of new technology have resulted in fierce competition in the aviation industry and business across the world. It cannot be denied that customers will play a greater role through the use of smart phones and social networks. A new society of consumers with new behavior called Socialnomics has emerged. It implies that customers will likely use digital channels to buy tickets and services by themselves and communicate with the Company through digital channels. THAI therefore emphasizes our digital channels by improving mobile application and introducing new innovations that are different and faster than competitors. The Company has focused on constantly developing online services to enable customers to use our up-to-date website with ease and convenience at anytime from any device including mobile phones, smart phones, tablets, and laptops.

The Company has focused on making it convenient and quick to search for flights and flight networks of our partner airlines around the world, and delivering services to customers as a One-Stop Service to adjust and accommodate with various conditions of competition. We have made efforts to increase payment channels through Counter Service, 7-Eleven branches, Lotus's branches, Paypal, LINE Pay, ATM, Bank Transfer, and PromptPay. Furthermore, the Company has improved our communication by creating a Life Style Hub, publicizing Sawasdee Online Magazine, and enhancing our Company's image by

expanding networks and fostering good relations with online community through social media of THAI with banners, infographic and videos to distribute information widely, motivate and attract attention of customers and stimulate travels to increase opportunities of sales and revenue generation for the Company.

Marketing and Promotional Activities

The Company has conducted marketing and promotional activities both in Thailand and abroad continuously to maintain our market shares, increase competitiveness and generate highest returns amidst the market conditions that are affected by external economic, political, and competition factors. We have also conducted promotional activities through the Royal Orchid Plus (ROP) mileage program and Royal Orchid Holidays (ROH) service. ROH has been carefully designed for tourists, THAI and THAI Smile Airways' passengers, allowing them to fulfil their journeys with accommodation and local tours seamlessly.

Royal Orchid Plus is a loyalty program, carried out with the aim of maintaining current and expand customer base by generating satisfaction for customers, resulting in customer loyalty, bringing customers back to the Company repeatedly and sustainably. The Company also aims to utilize the Royal Orchid Plus database to analyze and offer products and services that are able to respond to demands of members around the world and demands of certain groups of customers. At present, the Royal Orchid Plus mileage program has around four million members worldwide. They are divided into four tiers: Basic, Silver, Gold, and Platinum. Royal Orchid Plus has transformed from a frequent flyer program into a Coalition Program whereby members may collect miles from travelling with THAI, THAI Smile Airways, and Star Alliance airlines, as well as business partners all over the world such as hotels, rental cars, credit cards and financial institutions, as well as other lifestyle partners.

In the past year, the Company extended the mileage expiry date until December 31, 2023. The Platinum and Gold memberships that were going to expire in 2023 were extended by one year. The management

offered a new product "Time to Gold Package" to stimulate income generation through Royal Orchid Plus members by introducing cash credit voucher for Royal Orchid Plus Gold Membership. There were very positive responses from the Royal Orchid Plus members and targeted customers, thereby resulting in satisfaction among Royal Orchid Plus members. Exclusive Experiences and Exclusive Offers were introduced to enhance opportunities and competitiveness of THAI compared with other airlines.

Royal Orchid Plus program has a variety of redemption products which can be redeemed through online channels and at the THAI offices. ROP redemption products include: Air Award tickets of THAI, THAI Smile Airways, and Star Alliance airlines, ticket upgrades, accommodation at partner hotels, lifestyle benefits, and special promotional awards from the Company and business partners. Members can also use miles as partial ticket payments on THAI operated flights. There are a variety of benefits from the Company and business partners available for Royal Orchid Plus members. They can receive Royal Orchid Plus news and information through various channels including THAI offices worldwide, THAI Contact Center, electronic direct mail, and the Company's website, www. thaiairways.com.

The Royal Orchid Holidays packages are sold both at agents and THAI's offices. The system has been developed to accommodate online sales. Tourism packages have been improved both for domestic and international packages, enabling them to respond to the needs of customers in a more comprehensive manner. The key idea is to make Royal Orchid Holidays a different experience in the cultural and culinary aspects, with the focus on experience. Promotional activities are done through advertisements, events, and exhibitions, as well as promotional events during low season in order to make Thailand better known and support the Government's policy in promoting Thailand as a tourism hub of Southeast Asia.

Social Development Projects Black Silk Blend Drip Coffee

Customer service and marketing departments support and develop the "Black Silk Blend" drip coffee for Business Class and First Class on international flights. The product is from Doi Tung Development Project Chiang Rai Province under Mae Fah Luang Foundation under Royal Patronage. THAI has been given an opportunity in sustainable development of communities by using sustainable agricultural products, namely Arabica coffee beans, on flight. This uplifts the quality of life by increasing value of local products, creating employment, and promoting occupations that suit the local social geography and local wisdom, laying down the foundation for communities to build on and generate long-term and sustainable revenues.

Kanvela Chocolate

Kanvela chocolate is served in Business Class and First Class. The product, BON BON Chocolate is of very high quality. It has received many international prizes. The procurement of Kanvela chocolate products helps support sustainable agricultural products of cocoa

growers in Khlong Loi, Prachuap Khiri Khan, helping to promote the economy by creating employment, generating revenues for agriculturalists and people in communities. The project also contributes to social development. Agriculturalists were encouraged to grow cocoa which would be bought at fair prices. The environment has also been protected.

Environmental Projects

An Upcycling Project has been carried out by the Customer Service and Marketing of Thai Airways International Public Company Limited, PTT Chemical Public Company Limited, as a leading entity for chemical product business of PTT Group, and Doi Tung. We are aware of the importance of the environment. In this regard, we have designed and developed products from plastic wastes, turning them into amenity bags for Business Class passengers, thereby increasing the value of plastic waste while conserving the environment. In the future, THAI has planned to build on the Upcycling project by producing a variety of bags with checker board pattern (prototype) to be sold at THAI Shop by 2023.





(B) Conditions of Competition

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Aviation Industry and Competition

The International Monetary Fund (IMF) expects the world economy to slow down continuously as it continues to face a number of risks such as the cost of living crisis due to high inflation rate, the ongoing Russia-Ukraine war, international conflicts, high interest rates, the slow down of the Chinese economy, as well as quantitative tightening due to stricter financial policy and geoeconomics fragmentation. IMF has predicted the global economic growths in 2023 and 2024 at 3.1 percent, down from 3.5 percent in 2022 amidst the abovementioned risks. The expected growth would be lower than the 20-year average (2000-2019) at 3.8 percent. Whereas the expected inflation rate is to decrease from 8.7 percent in 2022 to 6.8 and 5.8 percent in 2023 and 2024, respectively, the rate is still higher than the pre-COVID average at 3.5 percent (2017-2019). World trade is also expected to down from 5.2 percent in 2022 to 0.4 percent in 2023 before rising to 3.3 percent in 2024. This figure, however, is still lower than the 20year average (2000-2019) at 4.9 percent. This is partly due to rising trade distortion and geoeconomic fragmentation. With regard to the Thai economy, it is expected to recover. In 2023, the growth is predicted to be at 2.5 percent, slightly down from 2.6 percent in 2022 as the recovery has been at a slower pace. However, in 2024, the figure is expected to grow to 4.4 percent due to the revocation of international travel restrictions and the recovery of the global economy, as well as measures to promote tourism such as visa exemption scheme (the prediction was made in January 2024).

In terms of the aviation industry, the International Air Transport Association (IATA) has expected the aviation industry to recovery significantly. In 2023 and 2024, the net profits have been predicted at USD 23.3 and 25.7 billion, respectively following continuous loss since 2020. These have been due to the strong demand for travelling after the reopening of various countries around the world, especially the reopening of China since the beginning of 2023, resulting in the total revenue of airlines reaching a higher level than the period before COVID-19. The revenue is expected to increase continuously ,the total airline revenue is projected to

exceed 2019 levels by 6.9 and 15.0 percent in 2023 and 2024 respectively. Of the total revenue, around 75.0 percent is expected to be from passenger transport, in which the revenue from this segment is expected to rise continuously, while the revenue from cargo and parcels is expected to decline continuously due to the lower demand following the slow down of world trade and the lower fees due to competition in sea freight charges. Performance of airlines has been better in every region. Airlines in North America, Europe and the Middle East returned to profitability already in 2022 and expected to remain strong in 2023. IATA expects the number of domestic passengers to recover to the pre-COVID level in 2023 and the number of international passengers to recover in 2024. In 2023, the global air passenger traffic reached 94.1 percent of the pre-COVID level in 2019. Air cargo traffic is also expected to remain below 2022 levels and 3.6 percent lower than the pre-COVID level in 2019.

Passenger Transport Outlook

Passenger transport segment continued to recover in 2023. The Available Seat Kilometre (ASK) and the Revenue Passenger Kilometre (RPK) has been lower by 5.9 percent and 5.6 percent, respectively, compared to 2019. The Passenger Load Factor (PLF) averaged 82.3 percent (from 82.6 percent in 2019). Asia-Pacific is the key region in promoting the expansion of RPK around the world, amounting to around 31.7 percent. However, Asia-Pacific region is the slowest to recover, when compared to 2019. In 2023, ASK and RPK recovered to 85.9 percent and 87.6 percent of the year 2019, respectively. This rate was lower than the average of the industry which saw and is expected to see the recovery to 94.1 and 94.4 of 2019, respectively. Overall, PLF is still expected to have an average of 80.2 percent, lower than the general figure of the industry.

Air freight in 2023 continued to face challenges from economic and global trade recession. The recovery of passenger transport also resulted in the lower demand for air freight. It is expected that the Revenue Freight Tonne Kilometre (RFTK) will contract by 1.9 percent compared to the previous year and 3.6 percent lower than in 2019. However, the RFTK is expected to increase at 4.5 percent in 2024 due to

the recovery of freight and cargo in many regions in the latter half of 2023 but is still lower than that of 2019 at 1.1 percent. The Available Freight Tonne Kilometre (AFTK) has increased continuously since the beginning of 2023. AFTK was higher than in 2019 in April 2023 due to increased Belly-Hold Capacity following the expansion of passenger transport. In 2023, AFTK expanded by 11.3 percent compared to the year before and was higher than in 2019 by 2.5 percent. The Freight Load Factor (FLF) had an average of 44.0 percent in 2023 and is expected to have an average of 43.9 percent in 2024. In 2023, airlines in Asia Pacific had the highest CTK share around 33.4 percent, and an average FLF of 45.8 percent, the highest among all regions and higher than the industry average of 44.1 percent.

According to the estimates of IATA, it is expected that the delivery of aircraft in 2023 would increase but still lower than pre-COVID era. In 2023, the expected number of aircraft delivery was 1,372 aircraft. Among these, the largest proportion of delivered aircraft was for airlines in North America at 456 aircraft, followed by Asia Pacific at 357 aircraft, Europe at 354 aircraft, and other regions at 202 aircraft. In 2024, the number of aircraft delivery is expected to be higher than the 2019 level at 1,777 aircraft. These new, fuel -efficient and quieter aircraft have a positive impact on lowering operating costs and are more environmentally friendly. This will play a part in helping the industry achieve the target of net zero carbon emission by 2050. The 20-year trend of the aviation industry (number of passengers) (2019-2042) is expected to increase at an average of 3.0 percent a year. The Asia-Pacific region has the expected rate of expansion of the number of passengers higher than the industry's average at 4.0 percent a year. This is due to the increasing average income and the larger middle class, as well as the expansion of the aviation industry, including the number of airlines, airports, and various infrastructures. In 2042, it is expected that the number of passengers in Asia Pacific will comprise around 53.6 percent of the total number of passengers worldwide (source: : IATA Global Outlook for Air Transport as of December 2023 and IATA Air Passenger Forecast Global Report (20-year) updated February 2024).

For Thailand, the overall picture of the tourism industry is set to recovery continuously, especially international travels, due to the easing and revoking of various measures regarding to international travels of Thailand and a number of countries around the world. The Government has also promoted tourism throughout the year as can be seen in the visa exemption scheme for tourists from China and Kazakhstan. The scheme began on September 25, 2023 until February 29, 2024. The visa exemption scheme also covered Indian tourists and Chinese Taipei from November 10, 2023 to May 10, 2024. The Tourism Authority of Thailand has estimated the number of international tourists visiting Thailand in 2023 at 28 million. It is expected that the number of tourists coming into Thailand will recover to pre-COVID level in 2024 at 40 million. In 2023, the average number of foreign tourists entering Thailand was 77,123 persons a day or 70.6 percent of 2019, the year before the COVID-19 pandemic. Around 71.7 percent of foreign tourists arriving in Thailand or around 20.2 million tourists were from Asia Pacific. Of this, 34.9 percent were from the ASEAN region, and 26.9 percent were from Northeast Asia. Tourists from China, which is a key market, have not recovered as the number accounted for only 32.0 percent of the same period in 2019. Yet, the number of Chinese tourists ranked second at 3.5 million. Malaysian tourists ranked first at 4.6 million and Russian tourists ranked fifth at 1.5 million. The number of tourists from both countries were higher than the same period in 2019. Tourists from South Korea and India ranked third and fourth at 1.7 million and 1.6 million respectively have recovered to roughly the same number as that in the same period in 2019, at 87.8 and 81.6 percent, respectively (source: Tourism Authority of Thailand).

The aviation industry and the amount of journeys made by air of Thailand are in line with the figures in the tourism industry. The Civil Aviation Authority of Thailand (CAAT) has set a target for Thailand to become an aviation and air transport hub in the region. The estimated number of passengers and flights in 2023 was 121.75 million passengers and 0.79 million flights. The figures are expected to be close to or equivalent to 2019 by 2024 at around 162.7 million passengers and 1.07 million flights. In general, the number of passengers traveling to, from, and within Thailand

The number of passengers traveling to, from, and within Thailand has risen at key airports, with international travel showing a particularly strong recovery. In 2023, Thailand total air passengers was around 105.9 million or 74.1 percent of 2019 levels. Among this, 56.5 percent were international passengers at an average of 163,906 passengers per day. Suvarnabhumi Airport had the highest number of passengers at around 51.7 million or 48.8 of the total passengers. The airport also had the highest number of international passengers, totaling over 66.9 percent of the total foreign passengers (source: Airports of Thailand Public Company Limited). In 2023, there were 145 airlines operating international routes with total seats 74.8 million. THAI had the highest proportion of seats at 15.9 percent, followed by Thai AirAsia at 11.0 percent, and Emirates at 3.4 percent. In the first seven months of 2024 (January-July), the estimated number of airlines operating international routes is 132 airlines with the number of seats of around 53.4 million (source: Center for Aviation as of March 11, 2024)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Competition in International Aviation Industry

IATA analyzed the recovery of air transport between 2019 and 2023 as follows:

- The global air passenger transport in 2023 continued to increase due to easing of travel restrictions all over the world.
- Revenue Passenger Kilometers (RPK) in 2023 increased by 36.9 percent from 2022, accounting for 94.1 percent of 2019 before the COVID-19 pandemic. The proportion increased from that of 2022 at 68.7 percent compared to 2019. This reflects the strong recovery of passenger transport across the world.

Airlines in Asia had recovered at a slower pace compared to the rest of the world. But have expanded strongly owing to the revocation of travel restrictions in the region in January 2023, resulting in Asian airlines recovering and having the highest RPK proportion in the world.

- In 2023, Airlines in Asia Pacific had RPK share increased from 21.3 percent in 2022 to 31.7 percent, a similar proportion compared to 34.3 percent in 2019.
- Airlines in Europe had RPK share that was similar to that in 2019 at 27.1 percent. The region was the second largest market as in 2019.
- Airlines in North America had RPK share increase from 22.3 percent in 2019 to 24.2 percent in 2023. The recovery was strong as the RPK was higher than in 2019 by 2.4 percent.

IATA stipulates that the distribution of air transport across the world in 2023 recovered close to the level before COVID-19 pandemic. Every region, except Asia Pacific would see the recovery of RPK in 2023, while Asia Pacific will recover in 2024.

Thailand aviation industry is expected to recover continuously (source: Center for Aviation as of 11 March 2024).

- In 2023, there were 145 airlines operating international routes in and out of Thailand with 74.8 million seats, an increase of 122.5 percent compared to 2022, amounting to 66.6 percent of 2019.
- THAI was the airline with the most weekly number of seats, amounting to 15.9 percent, followed by Thai AirAsia at 11.0 percent and Emirates at 3.4 percent.
- Between January and April 2024, it is expected that there will be 132 airlines operating international routes to and from Thailand with approximately 53.4 million seats, amounting to 80.1 percent of 2019.
 - THAI was the airline with the most weekly number of seats, amounting to 17.5 percent, followed by Thai AirAsia at 10.0 percent, and Emirates at 3.1 percent.

Procurement of Products or Services

(A) Fleet Plan

The fleet plan consists of Airbus A320-200, Airbus A330-300, Airbus A350-900, Boeing 787-8, Boeing 787-9, Boeing 777-200ER, Boeing 777-300ER as well as Boeing 787 Dreamliner. The fleet is under the framework of long-term procurement for flight operations between the period of 2023-2028. The fleet plan which has been approved by the Plan Administrators is as follows:



Remarks for the fleet plan for the period between 2024 and 2028 are as follows:

- The estimated number of aircraft in operation between 2024 and 2028 is based on the demand for travelling and other related factors that may be in constant change. The Company may need to review and improve on the plan, as well as manage the fleet in accordance with the changes and possible effects in order for the Company to be profitable and competitive.
- Narrow-body aircraft refers to Airbus A320-200 and Airbus A321 NEO series.
- Wide-body aircraft refers to Airbus A330-300, Airbus A350-900, Boeing 787-8, Boeing 787-9, Boeing 777-200ER and Boeing 777-300ER series. The total number of wide-body aircraft on order with Boeing is 45 for the period of 10 years. The Boeing 777-200ER Series aircraft are in use between the years 2022 and 2025.

Routes to Japan

include Tokyo, Nagoya, Sapporo, Osaka, and Fukuoka.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)





(B) Production Capacity and Flight-related Production Quantity

		2023	2022	2021
-Number of Aircraft in Operation as of 31 Dec	(aircraft)	70	64	58
-Number of Destinations (except Bangkok)	(points)	60	56	29
-Kilometers Flown	(1,000 KMs)	185,426	132,098	38,225
-Number of Landings	(times)	73,666	59,277	20,848
-Flight Hours	(hrs/year)	270,618	192,994	57,318
-Aircraft Utilization	(hrs/day)	12.2	10.4	5.4
Passenger Transport				
-Available Seats Kilometer	(million seats-KM)	54,280	38,526	11,224
-Revenue Passenger Kilometer	(million-KM)	43,268	26,163	2,147
-Cabin Factor	(percent)	79.7	67.9	19.1
-Number of Passengers	(1,000 KMs)	13,763	9,012	1,640
-Passenger Yield	(THB/person-KM)	3.06	2.82	2.55
Freight Transport				
-Available Dead Load Ton-Kilometer	(million tons-KM)	2,864	2,032	581
-Revenue Freight Ton-Kilometer	(million tons-KM)	1,481	1,283	547
-Freight Load Factor	(percent)	51.7	63.1	94.1
-Cargo Carried	(1,000 KMs)	340,825	340,390	132,347
-Freight Yield	(THB/person-KM)	10.21	18.28	19.67
System-Wide				
-Available Ton-Kilometer	(million tons-KM)	(million tons-KM) 8,294 5,885		1,699
-Revenue Ton-Kilometer	(million tons-KM)	5,875	3,950	774
-Load Factor	(percent)	70.8	67.1	45.5
-System-Wide Yield	(THB/person-KM)	25.23	24.61	21.27

Remarks: Due to the COVID-19 pandemic, the Company had to adjust flight routes and could not specify winter/summer schedule as normal.

(C) Key Operational Expense Structure and Production Factors

Key operational expenses of the Company include fuel which amounts to 38.8 percent of the total operational expenses. Apart from this, there are expenses related to employees which constitute a key resource in business, pre and post sales services to maintain brand loyalty and expand customer base. These as well as other flight expenses can be summarized as follows:

0	2023		2022		2021	
Specific Financial Statements	THB million	Percentage	THB million	Percentage	THB million	Percentage
- Fuels	44,263	38.8	34,593	40.4	5,183	14.7
- Employees' Benefits	10,379	9.1	7,058	8.2	5,934	16.9
- Flight Services	13,087	11.5	8,245	9.6	2,225	6.3
- Expenses related to Pilots and Crew	3,658	3.2	2,245	2.6	481	1.4
- Aircraft Repairs and Maintenance	10,172	8.9	8,928	10.4	3,432	9.8
- Depreciation and Amortization	10,728	9.4	8,563	10.0	11,940	34.0
- Aircraft Lease and Spare Parts	2,908	2.6	5,141	6.0	966	2.7
- Spent Goods and Supplies	5,615	4.9	2,647	3.1	415	1.2
- Sales and Advertisement	6,534	5.7	3,998	4.7	568	1.6
- Insurance	522	0.6	478	0.6	399	1.1
- Other Expenses	6,077	5.3	3,676	4.4	3,608	10.3
Total Expenses	113,943	100.0	85,572	100.0	35,151	100.0

(D) Procurement of Jet Fuel

The jet fuel price that the Company procures varies according to the Jet Spot Price which in turn varies according to crude oil prices. In general, Jet Spot Price is highly fluctuating and cannot be predicted in advance. In the past, key factors that have led to fluctuations include demand and supply, climate, political situations in various countries, and capital flows of commodities.

The Company procures jet fuel using a reference price in USD. The cost of jet fuel of the Company in 2022 amounted to 40.4 percent of the total operating expenses. In 2023, the figure was 38.8 percent.

THAI procures jet fuel from fuel distributors at every

station where the Company flies to. We send out invitations for the procurement of fuel to every fuel distributor at a particular station. The Company only enters into contract after receiving quotations and negotiating until the end. A contract is valid for the period as agreed. Generally the contract lasts for one year. However, there are cases where the contract is for six months or two years. The Company may join with Star Alliance partner airlines to jointly procure fuel at some stations if it is deemed beneficial for the Company and/or the price is lower.

In 2023, the Company mainly procured jet fuel from fuel distributors in Thailand for domestic needs and from fuel distributors abroad for demands outside Thailand. In procuring jet fuel, the Company does not consider only the aspect of price, but we also take into consideration the stability of delivery and the need to maintain long-term relations with distributors. In some countries such as Sri Lanka, Bangladesh, China, Lao PDR, and Myanmar, the Company can only procure jet fuel from distributors that monopolize the market and are the sole distributors in those countries.

In Thailand, the Company procures jet fuel from Bangchak Petroleum Public Company Limited, PTT Oil and Retail Business Public Company Limited, Chevron (Thailand) Company Limited, Bangchak Sriracha Public Company Limited, Singapore Petroleum (Thailand) Company, Shell Thailand Company Limited, and Susco Dealers Public Company Limited. It is believed that in cases where any distributor cannot provide fuel for the Company, other distributors will be able to provide instead.

The Company uses the fuel delivery and refueling services at Suvarnabhumi Airport of Bangkok Aviation Fuel Services Public Company Limited which is a listed company in the Stock Exchange of Thailand. THAI and eight other fuel distributors are shareholders of this Company. Bangkok Aviation Fuel Services Public Company Limited is the sole entrepreneur with the license to operate oil depot at Suvarnabhumi Airport and is the entrepreneur that provides refueling services for aircraft at Suvarnarbhumi Airport. As the Company is a shareholder in Bangkok Aviation Fuel Services Public Company Limited, the Company is able to directly receive fuel procured from other fuel distributors that are not the shareholders of Bangkok Aviation Fuel Services Public Company Limited and is able to directly receive services of refueling from Bangkok Aviation Fuel Services Public Company Limited.

In 2023, the Company was the only airlines that bought jet fuel for delivery at Suvarnabhumi Airport from Bangchak Petroleum Public Company Limited. At times, the fuel prices that Bangchak Petroleum Public Company Limited that were sold to the Company were agreed in advance. This was beneficial for the Company since we could partly control the cost for fuels. Furthermore, THAI has managed our fuel usage

to be even more efficient by flight and freight planning, cleaning of fuselage and engines, as well as controlling the amount of fuel reserve for each flight. The Company is also considering jet fuel price hedging in the near future.

Since fuel is a vital material for air transport, the Company is in the process of looking into fuel price hedging to match the current circumstances. The objective is to reduce fluctuations of jet fuel costs and for the Company's performance to be in line with the targets and to protect the Company's values for shareholders and stakeholders, not for profiteering from fuel price risk management.

Apart from fuel price hedging, the Company has a policy to reduce costs and minimize risks from fuels with the following measure:

• Self Procurement of Fuel: The Company has bought fuel in order to be the provider of fuel services in the airport ourselves to minimize costs and expenses as much as possible.

(E) Insurance Procurement

To reduce implications should there be any damage to the Company and stakeholders due to accidents and disasters, the Company has insured our aircraft, spare parts, legal liabilities, assets, computer appliances and accessories, and other types of insurance. This is in order for the Company and stakeholders to be comprehensively protected, in line with international standards. The Company procures insurance policies directly with insurance companies in Thailand under Thai laws. The insurance companies also enter into agreements for insurance with companies abroad to distribute risks.

For the year 2022/2023, the Company's insurance expenses amounted to approximately THB 620,894,748.86 (exchange rate of THB 36.4540 per USD). The insurance expenses with the highest proportion are those related to aircraft, spare parts and legal liabilities, amounting to 81.26 percent of the total insurance expenses (aircraft insurance period was between December 1, 2022 - November 30, 2023.

The data was based on the average fleet value of the Company as of December 1, 2022 at approximately USD 6,217,123,759.) The rest, 18.74 percent comprised expenses on individual insurance and insurance on other types of asset of the Company.

The evaluation of the previous incidents and circumstances has shown that the overall condition of the aircraft insurance market is still within the limited capacity. The unrest in Russia and Ukraine, as well as the higher risks of the Russian government seizing hundreds of aircrafts have made the insurance market become a Hull War. Insurance companies also face the higher premium payments, large claims and claims for attritional losses that have constantly occurred following the COVID-19 pandemic. On top of these, insurers have become more strict in accepting to provide insurance. The target for the insurers is still to increase the premium payment rate. Minimum premium payment has been stipulated while the protection has been reduced according to the amount of money that clients are willing to pay. Moreover, certain territories have been exempted from insurance protection, such as Ukraine, Russia, and Belarus.

In terms of the insurance against loss, there are many factors that affect the premium payments. Firstly, the reinsurer may adjust their risk model of each insured with properties across the world since the risk from natural disasters have become more severe and frequent due to the effects from climate change. Also, insurance companies are still affected by compensations paid for the COVID-19 insurance both in Thailand and abroad. In other countries, the reinsurers have also paid compensation for businesses that were suspended due to lockdown measures, constituting the highest compensation ever paid in the global history. On top of these, the General Insurance Fund in Thailand is going to increase contributions from insurance companies to enhance cashflow of the fund and for compensations for the insured. In this regard, the insurance costs of the general insurers have become higher. The reinsurers have also increased their premiums due to the ever more severe natural disasters.

Given the aforementioned conditions of the insurance market, the insurance expenses of the Company have increased from the years 2021/2022 by approximately 18.79 percent.

1.2 Freight and Mail Transport

Characters of Products and Services Data on the Commercial Services for Freight and Mail

Freight and Mail Transport Services		2022	2021
Available Dead Load Kilometers (ADTK) (million tons-KM) (1)	2,864	2,032	581
Revenue Freight Ton Kilometers (RFTK) (million tons-KM) (1)	1,481	1,283	547
Freight Charge (THB million) (2)	15,464	23,784	10,928
Average Freight Charge per Unit (THB/ton-KM) (3)	10.21	18.28	19.67
Freight Load Factor (%) (1)	51.7	63.1	94.1

Remarks

⁽¹⁾ Includes the load of regular flights, irregular flights and freight space leasing on other cargo aircraft.

⁽²⁾ Includes revenues from freight and mail transport on regular flights, irregular flights and freight space leasing on other cargo aircraft.

⁽³⁾ Revenues from freight charges including fuel surcharges and risks of war surcharge, not including mail divided by the amount of transport.

From 2022, the air freight transport business has started to be back to normalcy. Yet, there has still been a variety of modes of transport which have been adjusting themselves from the COVID-19 pandemic. Freight space leases on cargo charter flights remain. This, and freight transport on regular flights of THAI and THAI Smile Airways are still needed for consumables, industrial goods, as well as e-commerce. Certain goods need special care to ensure that their conditions are in line with the specified standards from senders to receivers.

The Company provides a number of products and services in the field of freight transport to respond to the demands of customers both in terms of time and product conditions. We therefore provide Temperature Controlled Containers (TG Temp) for Temperature Controlled Products (TGC). We are in the process of developing TG Pharma Pro (TGP) to accommodate the transport of medicines and medical products that need strict temperature control throughout the transport in order to retain the characteristics and functions of medicines for effective remedy. The Company adheres to the Good Distribution Practice (GDP) whereby the Company has been GDP certified in the area of international cargo area. We have set up a professional team whose members have been individually trained for GDP standard. They have received certificates from SGS (Thailand) Company Limited, a global company that does testings for certifications.

The Company also offers special services for products that need to be transported quickly (TG Force: TGX) with the guarantee that the goods will be transported to destination in a timely manner.

TG Fresh (TGF) - Express Delivery Service for All Types of Fresh Food: The product aims to ensure that every fresh product will be guaranteed more space on registered aircraft than other fresh products.

TG Kool (TGK) - Agricultural Products Transport: The Company adjusts temperature for agricultural products as required and uses thermal blanket as a tool that can protect goods from external heat while maintaining internal temperature before forwarding agricultural products to containers specially prepared for this type of goods. The process and special tools have made it possible to keep agricultural products such as coconuts and mango sticky rice fresh until they reach consumers.

Priority Service (PRI): For other services, the Company offers comprehensive transport services catering for the needs of clients including animals or other living things, dangerous goods, valuable goods, large and heavy goods such as machineries, generators, or cars, as well as human remains.

The Market and Competition

The Company provides freight services with our passenger aircraft covering routes in Asia, Europe, and Australia while continuing to add new destinations in accordance with the demand of passengers and the need for freight transport. THAI Smile Airways would support domestic routes and some regional routes. For routes where THAI has no direct flights, we have our partner airlines and road transport partners in Europe and Australia to fulfil the needs.

From 2022 to 2023, many airlines had increased their flights due to the easing of international travel restrictions, leading to higher competition and external factors that have had great effects on freight transport by air such as global oil prices, effects from exchange rates, and marketing conditions, including the lower purchasing power due to recessions in many regions.

In this regard, the Company has focused on price competition and freight services that are able to respond to customers' demands and selects potential routes to enhance revenues, while looking for new customers in resumed routes and new routes.

2. Business Units



The Company operates certain businesses that are directly related to transport. They are established as business units, namely 1. Warehouse 2. Ground Services (Ramp Handling and Ground Equipment Service), and 3. Catering. Details are as follows:

2.1 Warehouse Services

Due to the significant slow down of the world economy in 2023 due to pressures from prices of goods and the increase in interest rates, resulting in the recovery of domestic demands and global trade. International freight business grows in line with the economic and world trade conditions. In this light, it has been found that the air freight transport, both export and import, has been slowing down as well. The amount of goods passing through THAI's warehouse has decreased by approximately seven percent compared to 2022. However, the Company has continued to improve and develop internal work mechanisms to be concise and reduce any duplication of work processes. The Company has managed limited resources in line with the amount of work in each period and in each area. THAI seeks to ensure that our business grows with

sustainability while taking into account ESG (Environmental, Social, and Government):

1. Human Resource

- Increase outsourced personnel by around 12 percent from 786 to 885 persons to accommodate the operations of warehouse both import and export, as well as other paperwork process.
- Conduct a number of training courses related to operations to enhance capabilities of personnel, enabling them with multiskills.
- Improve the environment of operational areas to be suitable for work and generate good attitude towards the organization.
- Adjust the position from Cargo Officer to Cargo Warehouse (1, 2) to provide incentives for work and reduce the risks of the lack of personnel.
- Hire outsourced workers to address the lack of workers. They are to work in warehouse operations, paperwork, technological work, and repairs and maintenance. Moreover, the Company has employed out job employment for non-core activities such as cleaning, security, and x-ray

analysis. This is to reduce cost in the long term and address the issue of the lack of personnel in the future.

2. Space Management and Development of Tools and Equipment

- Procure 120 sets of Unit Load Device (ULD) to be in line with international standards and reduce risks of damage to products.
- Procure electric tractors and forklifts to support the Company's policy in reducing greenhouse gas emissions, conserving the environment and reducing pollution.
- Change 1,700 light bulbs in operating areas into LEDs to save energy while installing big fans to reduce temperature in warehouses and provide better ventilation for better work environment.

3. Service Standards

- Operate close warehouse system as restricted area for outsiders, in line with the security provisions of AOT, CAAT, IATA, LBA, and ICAO that the Company has adhered to. THAI has received quality assurance for ground operations on warehouse system, IATA Safety Audit Ground Operational (ISAGO), and for temperature control goods distribution, Goods Distribution Practice (GDP).
- The Company has received Regulated Agent Certificate under the criteria specified by the Regulations of the Civil Aviation Authority of Thailand (CAAT) No. 33 on the Provision of Safety for Air Cargo and Mail Carrier, by virtue of Section 50/31 of the Air Navigation Act B.E. 2497 (1954) and amendments made in the Air Navigation Act (14th edition) B.E. 2562 (2019).
- The Company has received certification for Air Cargo and Mail Carrier Operating into the Union from a Third Country Airport (ACC3) and Regulated Agent in Third Country (RA3) of the German Civil Aviation Authority (LBA).

4. Information Technology

- Renew the CHORUS System which is a system to manage warehouse, sales, management of freight space, as well as the provision of equipment (ULD).
- Renew the contract for the service in sending and receiving electronic data of products to the Customs Department in Thailand.
- Conduct study and build on the e-Express Hub system to control and manage the Express Center
- Cooperate with VISA on Online Payment to increase alternatives for clients when paying for warehouse services.
- Conduct COPP (THAI Cargo Online Payment Platform) with 2C2P (Thailand) Company Limited by modifying the cargo payment to be in line with the conduct of business in the future. This also includes the submission of e-Tax Invoice to the Customs Department and sending of e-Receipt to customers.
- Conduct study and develop the Truck Queuing system with Airports of Thailand Public Company Limited.
- Conduct study on the warehouse management system in the form of Smart Warehouse.

5. Waste Disposal and Management

The Company takes plastic sheets that are used to protect goods from damage due to moisture of incoming flights at Suvarnabhumi Airport to inspect, sort, and store in order to reuse them to protect goods on trucks before exporting.

- The Company has been able to reuse 19,454 plastic sheets, amounting to 27.2 tons.
- The Company has reduced greenhouse gas emissions by 26,146 Ton CO2e.
- The Company has saved expenses by THB 1.3 million (THB 67.8/sheet) by not buying new plastic sheets to replace current ones.

The Company is committed to developing our services and has the policy to enhance quality of services and develop products of the Company to be of good quality and standards at every service point. We are also committed to develop business for sustainable growth while being responsible for stakeholders, reducing pollution, and using resources efficiently.

THAI has conducted studies to explore new business opportunities while looking for business partners on logistics and IT solutions to develop cargo warehouses and build on logistic-related businesses in the future.

2.2 Ground Service Businesses consist of two main activities namely:

2.2.1 Ground Customer Services

Types of service include

- 1. Passenger Service comprises the check-in counters and special check-in counters for First Class, Business Class, ROP Platinum and ROP Gold passengers, and kiosks. Several designated counters have been specifically reserved for baggage, travel document inspection, seat number, food with special requests and/or other services with requests as registered in advance. The service also includes the inspection and registration of weight of passengers' bags, as well as providing services for passengers at the boarding gate which involve organizing the crowd prior to boarding and facilitating incoming passengers.
- **2. Lounge Service** the rooms are used to provide services to First Class, Business Class, Royal Orchid Plus Platinum , and Gold Members. There are also reception rooms to accommodate group travellers.

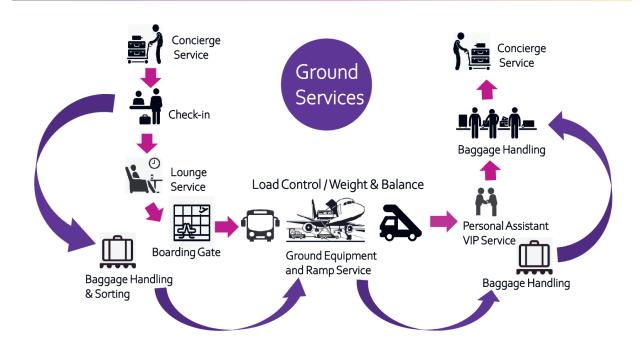




THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Corporate Governance

Ground Services



- 3. Baggage Services THAI offers tracking service for delayed, lost, or damaged baggage of incoming passengers. We deliver any delayed baggage of passengers directly to the accommodation. THAI also tracks and collects any belongings left behind on aircraft in both domestic and international flights.
- 4. Freight Control Service This applies to every flight of THAI, our customers' airlines, and charter flights. We offer service in weight calculation for balance, controlling the passenger and cargo loading for outgoing flights to be in accordance with the loading plan and the stipulated timeframe. Key data on each flight is sent to the station at destination. The operations take into account highest safety and security standards, in line with aviation rules and regulations. In addition, the Company offers unloading services which include offloading baggage from aircraft and delivering baggage to passengers and relevant agencies in a timely manner.
- 5. Supporting Services The services offered include the provision of assistance for passengers facing various problems on incoming and outgoing flights, and passengers missing flights in transit (for cases of late arrival of THAI flights) to ensure that they reach their destinations smoothly, conveniently, and safely. There are special services for VIPs and special zones to receive and conduct check-in procedures for First Class passengers. Advance check-in service by telephone is available for First Class passengers. There are also services for the elderly, individuals with disabilities, patients with medical certificates, and solo travellers aged below 16 years. Ticketing office is also available for enquiries, reservations and change requests for the existing reservations, as well as Royal Orchid Plus information.
- 6. Non-Airline Customer Services THAI offers services for banks and private companies wishing to provide their clients with travel facilitation, lounges, and various other services as specified in the contracts.
- 7. Airline Customer Services Provides services related to passengers, baggage, freight control, VIP rooms and other special services as specified in the contracts.

Market and Competitiveness

In terms of ground services, the focus is on increasing the market share for ground services at Suvarnabhumi Airport. There are 30 airlines that are our customers for ground handling. We serve 6,986 THAI flights, 2,473 THAI Smile Airways flights, and 6,000 customers' flights, bringing the total number of flights that use our ground services to 15,459 flights, amounting to 38.70 percent of the ground services business. There are other 4 service providers, namely Bangkok Flight Services (BFS), Bangkok Airways Public Company Limited, AOT Ground Aviation Service (AOTGA), and Lufthansa Services (Thailand) Company Limited with the market share of 26.1 percent, 10.5 percent, 1.0 percent, and 2.2 percent, respectively. Airlines with their own ground services amount to 19.5 percent. Other special flights amount to 2.0 percent. The Department of Ground Services has set a target to increase the number of airlines customers and retain the current customers by encouraging them to continuously use the Company's services.

At regional airports in Chiang Mai, Hat Yai, Phuket, Krabi, Chiang Rai, Surat Thani, and U-Tapao, there is at least one competitor at each airport and other airlines may also provide the ground services themselves. The market share of the Company at regional airports stood at 12.5 percent since we only provided services for THAI Smile Airways. Phuket (airlines self-service and THAI Smile Airways), Chiang Mai and Krabi Airports have high demand among seasonal airlines, charter flights, and low cost carriers which have had their numbers increase.

Provision of services for charter flights at domestic airports will be in accordance with the requests by the airlines. It also depends on the facilities at that particular airport as well as the readiness of other agencies in assisting us. The services are also extended to special flights. These are in line with the Airports of Thailand (AOT) Public Company Limited's policy on Don Mueang Airport since its announcement in 2014. This presented an opportunity to expand services especially those that will result in higher income from ground services at various airports.

Procurement of Products and Services

A key factor that greatly affects the provision of ground services at everh aiport is labor. Due to the COVID-19 pandemic, workers who used to work in the aviation industry have changed jobs. When the COVID-19 pandemic eased, the aviation industry has recovered and offered full services. This has affected employment since it was not possible to return workers to the aviation industry in a timely manner. Every airline around the world is facing this circumstance.

At the same time, THAI has planned its human resource by arranging the work schedule of employees in line with the number of flights in operation. THAI and our partner airlines conduct trainings for employees to enhance their effectiveness and potentials especially on multi skill which is useful at service points for customers. The points may include check-in counters and boarding gates.

2.2.2 Ground Equipment Services

Types of Services:

- 1. Transport any type of baggage, cargo, and mails both for incoming and outgoing flights. The service also includes the transport of large goods by freighter aircraft.
- 2. Provision of aircraft stairs and transport of passengers from the terminal to aircraft and/or from aircraft to the terminal. Ground services also offer VIP passengers with special passenger vehicles that are luxurious and modern as well as assistance for patients and individuals with disabilities.
- 3. Provision of electricity supply, aircraft engine starters (airstarts), air conditioning system, lavatory service, and drinking water replenishment in line with the standards of IATA Drinking-Water Quality Pool (IDQP) and the regulations of the World Health Organization (WHO). We also offer the towing service.
- 4. Cleaning service inside the aircraft both for transit aircraft and deep cleaning. The two services are provided alongside the security and safety checks. Disinfection by cleaning 36 touch points which are at risk of disease spreading is also provided.

The commitment and human resource development have made our aircraft cleaning service receive awards from SKYTRAX and praises from customers.

5. Emergency services both in terms of medical emergencies such as infectious diseases and emergencies such as aircraft fire. The services also cover the cases of evacuation in the event that Suvarnabhumi Airport could not function. The preventive plan is regularly reviewed and drills for emergencies are carried out with Airports of Thailand (AOT) Public Company Limited at least once a year.

Apart from the above services, the ground services also have the capabilities to repair ground equipment and Unit Load Device (ULD) whereby the Company has been certified as the ULD Repair Center from the Civil Aviation Authority of Thailand (CAAT).

Ground services of THAI have received international certification in terms of aviation safety, IATA Operation Safety Audit (IOSA) and the international standard for ground operations, IATA Safety Audit for Ground Operation (ISAGO). They are the well-known and accepted international standards for aviation industry. We have received ISO 9001 and the certification from Transportation, Security Administration, Department of Homeland Security (TSA), Office of Transport Security (OTS) of Australia. Hence, customers are able to be certain that the utilization of THAI's ground services will be in accordance with the quality standards accepted internationally and highest aviation safety.

Apart from the provision of equipment of ground services at Suvarnabhumi Airport, our ground services also avail ourselves at 10 regional airports, namely Don Mueang, Chiang Mai, Mae Fah Luang, Chiang Rai, Phuket (self-services and THAI Smile Airways counters), Hat Yai, Krabi, Udon Thani, U-Tapao, Khon Kaen, and

Surat Thani. However, should other airports also need to use ground equipment such as special flights by the Royal Thai Air Force or charter flights such as Hajj flights at Narathiwat Airport, the Department of Ground Services is able to support them with ground equipment from Suvarnabhumi Airport or nearby airports to the best of our abilities.

Market and Competition

At Suvarnabhumi Airport, there are two other service providers. The Department of Ground Services has 42 airlines customers, as well as flights of THAI and THAI Smile Airways. The proportion of ground equipment services stands at 41.7 percent while our competitors have a market share of 43.2 percent. Airlines with their own ground equipment comprise 15.1 percent. The Department of Ground Services need to equip itself with the abilities to retain customer base and constantly look for new customers by studying both the complaints and satisfaction surveys. They are to be analyzed and planned, in order for the customers to receive standard services that are of good quality and safety.

In terms of new customers, the Department of Ground Services has utilized its strengths, namely the efficient cost management, and modern and comprehensive equipment. They are professionally operated by employees with expertise and experience, having been through trainings of international standards. We also have an agency to oversee ground operations that is vested with the necessary authority in decision-making both at normal times and in emergency, thus generating trust among customers.

Procurement of Products and Services

The key factors for ground services are equipment and workforce. With regard to the equipment, the Department of Ground Services has put in place Ground Equipment Services Fleet Plan to accommodate the Company's and partners' fleets, and to have sufficient and up-to-date equipment for services whereby the cost of obtaining and repairing equipment must be minimized. In terms of workforce, we employ outsiders as outsources. The workers are trained both theories and practices from the Training Department in accordance with the standards of airports and international standards. Current workers have their capabilities developed to enable them to be able to control a variety of devices, thus increasing efficiency in providing equipment and having enough workforce for operations. The costs are managed to be within the competitive level. Moreover, the Department of Ground Services has arranged for an engineering team to study, analyze and procure devices with modern technology, suitable for all work conditions and types of aircraft such as electric towing tractors that are in response to the project of Green Airport. The electric tractors will help save costs and protect the environment.

2.3 THAI Catering Services

Catering is another supporting business unit for THAI. The catering branch has been developed and grew in leaps and bounds, generating revenues and profits for the Company. In 2022, the revenue stood at THB 2,793 million. In 2023, between January and November, the revenue stood at THB 4,681 million. The expected revenue for December was at THB 498 million, bringing the total income of this year to THB 5,203 million. The vision is to be "a leader in providing excellent food with comprehensive food management in line with international standards". Our mission is to produce quality products in response to the needs and highest satisfaction of customers. We aim to enhance productivity with modern technology, in tandem with research and development of products and the expansion of business and customer base both in

Thailand and abroad with a view to continuously enlarge marketing channels. Cost is to be managed efficiently to generate continuous and sustainable benefits. At the same time, the Company has sought to develop human resource to be knowledgeable and skilful to be able to respond to changes and competition in the food business with great efficiency. We also focus on social responsibility by conserving the environment and reducing pollution from production and operations.

There are two categories in this business, In-Flight Catering and On Ground Catering.

There are three operational bases for THAI's catering services:

1. Catering Service at Suvarnabhumi Airport - Located in the free zone with the area of around 90,000 square meters. The service provides food to



THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)



Corporate Governance

serve passengers on domestic and international flights of THAI and other leading airlines such as EVA Air, Qatar Airways, and All Nippon Airways. There are a total of 31 airlines customers. Of those using the service, THAI flights account for 70 percent, THAI Smile Airways account for 4 percent, and client airlines account for 26 percent in 2023, or 18.5 million meals a year for more than 56,000 flights a year. The catering service is able to produce a variety of food, Western, Chinese, Japanese, Arabia, India, and Thai. The "HALAL" sign is clearly seen. THAI has specific HALAL kitchen which has been certified with the Halal food production standards.

2. Catering Service at Don Meuang International Airport - The total area is approximately 34,000 square meters. The service here mainly produces food for ground business, in light of changing customers' demands. We have improved our products and new forms of packaging, as well as increasing the distribution channels. Businesses under the catering service at Don Meuang Airport include Puff & Pie Bakery which has proliferated to 43 branches. Of these, 20 are COCO (Company Own Company Operate) and 23 are DODO (Dealer Own Dealer Operate). There is also Aroi Lon Fah Restaurant at the headquarters, Yellow Orchid and OPC Command Center, restaurants at Phuket and Chiang Mai International Airports. There is a new canteen at OPC. Outside catering is also provided for



hospitals (medicare products), OEM and Retail, Airlines Lounges, such as Qatar Airways Premium Lounge, Silver Kris Lounge, and China Airlines Lounge. Our food can also be seen at Royal Orchid Lounges of THAI. Moreover, we have also entered into partnerships with various organizations and corporates in distributing snack boxes, including Transport Company Limited, Café Amazon, and Inthanin Coffee Shop. Apart from food, the Catering Department also aims to increase revenue from on Ground Catering Services. We offer laundry services for crew uniforms and ground uniforms. We also have a plan to develop pasteurized fruit juice and frozen food to be served on THAI flights next year.



3.Catering Service at Krabi International Airport - With the area of 1,200 square meters, the service is granted the right to food production from the Department of Airports. At present, we serve airlines customers such as Fly Dubai, Lot Polish, and TUIfly Nordic, as well as charter flights from Europe and Russia.

The food production process and services of the Catering Service have been certified with international standards, accepted by the International Air Transport Association (IATA) and World Health Organization (WHO). Such standards include; ISO 9001: 2015, Hazard Analysis and Critical Control Points (HACCP), and Good Hygiene Practices Standards (GHP). The three systems have been integrated into QHS (Quality-Hygiene-Safety) System. Moreover, the Catering Service has been certified that the food is produced according to the HALAL standards from the Office of Islamic Committee of Samutprakarn and Bangkok, as well as HAL-Q from the Halal Science Center Chulalongkorn University, and environmental management standard (ISO 14001). The Company is preparing for certification for the system of occupational health and safety and security management (ISO 45001).

With experience of over 60 years, the Catering Service has been operating while taking into account quality, and excellent services, These have resulted in the trust and confidence among customers and various prizes. Our catering service has been granted the certification of professional qualification in the aspect of Thai food, bakery, and hospitality from Thailand Professional Qualification Institute, Office of the Prime Minister, from 2018 to 2023. These international prizes are a testament of quality and the pride of THAI Catering.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)





3. Other Businesses

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)



3.1 Aircraft Maintenance Business

THAI Engineering is responsible for providing maintenance for aircraft of the Company upon joining the fleet until retirement and disposal. The aircraft are to be airworthiness, passing the criteria set by the Civil Aviation Authority of Thailand (CAAT) and Civil Aviation Authority and other related organizations such as Federal Aviation Administration (FAA) of the USA, and European Union Aviation Safety Agency (EASA). Moreover, THAI Aircraft Maintenance also provides maintenance services for aircraft of the government, and customer airlines, as well as emergency missions in implementing the contracts in which the Company has entered into. For instance, aircraft and engine leases. Operations must comply with the relevant laws and regulations, and in line with international standards that, apart from aiming to achieve highest safety, the Company also emphasizes the quality of products. THAI Engineering has conducted maintenance of aircraft and equipment in the aircraft cabin to be ready for operations, thereby increasing satisfaction of passengers.

Aircraft Maintenance of THAI Engineering can be divided into the following tasks:

- 1. Line Maintenance is a technical inspection and maintenance of aircraft in transit, including night stop at Suvarnabhumi Airport, Don Muang Airport, and other airports in Thailand and abroad, and the maintenance of aircraft based on hours flown or flight hours, at the aircraft hangar bases at Suvarnabhumi and Don Muang Airports.
- 2. Heavy/Base Maintenance is a technical inspection and maintenance of aircraft throughout the airframe including engine, component/equipment, and other parts in accordance with hours flown or flight hours, and in emergencies. The processes of heavy/base maintenance are conducted in the hangers and workshop at the aircraft maintenance at Don Muang and Suvarnabhumi Airports.

Apart from aircraft, engine, and equipment maintenance, THAI Engineering also offers exterior aircraft painting as well as aircraft washing for THAI and other airlines that will generate revenue for the Company.

In the past, THAI Engineering has developed its capabilities and enhanced skills in aircraft maintenance continuously in terms of human resource, hangars, equipment and tools that are efficient, modern, and of good standards, able to catch up with rapidly developed aircraft technologies. THAI Engineering focuses on safety and quality with affordable and competitive charges. THAI Engineering must pass certain requirements in order to be granted the certification from the Civil Aviation Authority of Thailand (CAAT) and other organizations such as Federal Aviation Administration (FAA) of the United States, and European Union Aviation Safety Agency (EASA).

Due to the rapid recovery of global aviation industry, including in Southeast Asia, the Company has put in place strategies and adjusted our business plans to be in line with the situations, accommodating the growth

of aviation industry to enhance revenue through increasing flights and routes. In this regard, the Company has been in need of procuring aircraft, spare engines, and aircraft parts and equipment, as well as other management to increase efficiency and efficacy. THAI Engineering has also produced a strategy to develop aircraft maintenance business, improve technology and innovation, and develop service processes in the aspects of capability improvement, business operations, and cooperation with partners to look for opportunities in business operations, while helping to retain valuable human resource. THAI Engineering is in the process of studying the possibility of developing aircraft maintenance of THAI to ensure that THAI Engineering has a business plan that is suitable to the situations, worthwhile in terms of investment, and generate income in a sustainable manner.

3.2 Transport Supporting Businesses

Transport supporting businesses involve flight management, souvenir shops, and flight dispatch services. The services plan flights and prepare necessary data on flight routes, weather forecast, and Notice to Airmen (NOTAM), as well as other related documents for THAI flights, in line with the international aviation regulations and provisions in the contracts, in order to ensure that flights reach their destinations safely. Services are also available for other airlines that fly to Suvarnabhumi to increase revenue for the Company.

THAI offers Inflight Duty Free for passengers to buy a variety of goods conveniently while travelling on board THAI flights.

The Company has opened THAI Shop to sell souvenirs at THAI Headquarters and an online shop at thaishop. thaiairways.com in order to expand the Company's reaches and increase the distribution channels both in Thailand and abroad, in line with the current purchasing behaviors.

Assets that are used to operate business are as follows:

1. Key Assets of the Company and Subsidiary

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Land, Building, and Equipment

Unit: THB million

Туре	Accounting Value as of December 31, 2023
Aircraft	42,356
Aircraft Decoration	1,837
Circulation Flying Equipment	13,460
Equipment, Hangars, and Equipment	903
Land, buildings, and renovation costs	14,116
Assets gained between the constuction	105
Impairment of Assets (if any)	(28,221)
Total	44,556

Right-of-use Assets

Unit: THB million

Туре	Accounting Value as of December 31, 2023
Land and buildings	4,537
Aircraft	60,484
Equipment	21
Impairment of Assets	0
Total	65,042

Key characteristics of core assets

Aircraft

As of December 31, 2023, the Company had 70 aircraft in operation, and 29 retired aircraft and/or aircraft in the process of being sold, bringing the total to 99 aircraft. Among these, 37 aircraft were considered the Company's assets, 15 aircraft under financial lease, and 47 under operating lease (aircraft under financial lease and operating lease are shown as right-of-use assets). Details are as follows:

Aircraft	Number	Aircraft that are Assets of the Company	Aircraft under Financial Lease	Aircraft under Operating Lease
Boeing B747-400	3	3		
Boeing B777-300	6	6		
Boeing B777-200ER	6	6		
Boeing B777-200	6	6		
Boeing B777-300ER	17		6	11
Boeing B787-8	6			6
Boeing B787-9	2			2
Airbus A380-800	6	6		
Airbus A350-900	17		4	13
Airbus A340-600	4	4		
Airbus A340-500	3	3		
Airbus A330-300	3	3		
Airbus A320-200	20		5	15
Total	99	37	15	47

Remark: Data as of December 31, 2023

Trademark Intangible Assets that are still in use at Present As of December 31, 2023

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Tra	ademark/Service	Product/Service
63	The Company's Logo	Letterhead, magazine
6 3	The Company's Logo	 Air and land transport, agents, packaged tours, ticket sales, warehouse lease, goods despository, freight Hotel operations, hotel booking, food and related services Aircraft repairs and maintenance
THAI	English Font Type to Accompany the Company's Logo (Present)	 Air and land transport, agents, packaged tours, ticket sales, warehouse lease, goods despository, freight Hotel operations, temporary accommodation, hotel booking, food and related services Aircraft repairs and maintenance
ไทย	Thai Font Type to Accompany the Company's Logo (Present)	 Air and land transport, agents, packaged tours, ticket sales, warehouse lease, goods despository, freight Hotel operations, temporary accommodation, hotel booking, food and related services Aircraft repairs and maintenance
Thai	English Font Type to Accompany the Company's Logo (Old)	 Air and land transport, agents, packaged tours, ticket sales, warehouse lease, goods despository, freight Hotel operations, temporary accommodation, hotel booking, food and related services Aircraft repairs and maintenance
Tnei	Thai Font Type to Accompany the Company's Logo (Old)	 Air and land transport, agents, packaged tours, ticket sales, warehouse lease, goods despository, freight Hotel operations, temporary accommodation, hotel booking, food and related services Aircraft repairs and maintenance
Smooth as silk	English Slogan to Accompany the Company's Logo	 Air and land transport, agents, packaged tours, ticket sales, warehouse lease, goods despository, freight Hotel operations, hotel booking, food and related services Aircraft repairs and maintenance
รักคุณเท่าฟ้า	Thai Slogan to Accompany the Company's Logo	 Air and land transport, agents, packaged tours, ticket sales, warehouse lease, goods despository, freight Hotel operations, accommodation arrangement, hotel booking, food and related services

Trademark/Service		Product/Service
EURNG EUANG	Eurng Luang Logo	Food and beverage services
であるが	Miles for Merits Project Logo	Special program to promote mileage program
THAI Shop	THAI Shop Logo	Sales of Products
ทัวร์เอื้องหลวง ROYAL ORCHID HOLIDAYS	Eurng Luang Tour Logo	 Accommodation arrangement, hotel booking Packaged tours and services related to travelling
ROYAL ORCHID PLUS	ROYAL ORCHID PLUS Logo	Membership services, pre and post flight
TGGS THAI TGGOUND SERVICES	THAI TGGS Logo	Pre and post flight passenger services

Trademark/Service		Product/Service
STAR ALLIANCE	English Font Type to Accompany the Company's Logo	 Computer software that is used to analyze, manage, recall, and store details and information on air transport Plastic printed cards, flyers for airlines services, brochures for airlines services, airlines tickets, coupons, and travel-related newsletters Air transport service, freight and mail transport by air, reservation and booking for tourism purposes, arrangement for tourism purposes, parking service, reservation and booking for water transport, arrangement for tourism purposes by water, processes of bringing up and storing computer information related to transport Hotel booking
STAR ALLIANCE	Star Alliance Logo	 Computer software that is used to analyze, manage, recall, and store details and information on air transport Plastic printed cards, flyers for airlines services, brochures for airlines services, airlines tickets, coupons, and travel-related newsletters Air transport service, freight and mail transport by air, reservation and booking for tourism purposes, arrangement for tourism purposes, parking service, reservation and booking for water transport, arrangement for tourism purposes by water, processes of bringing up and storing computer information related to transport Hotel booking
Puff & Pie	Puff & Pie Logo	Food and beverage, and snack bar
PUFF & PIE Supreme bakery delight	Puff & Pie Supreme Bakery Delight Logo	Food and Beverage services
C Puff&Pie	Puff & Pie Logo	 Food and Beverage Ready-to-eat food made mainly from meat, fish, and vegetables Bread made from flour and beverage made from fruit Tea with fruit flavors
Puff&Pie	Puff & Pie Logo	 Food and Beverage Ready-to-eat food made mainly from meat, fish, and vegetables Bread made from flour and beverage made from fruit Tea with fruit flavors
Puff & Pie & Pie CATERING	Puff & Pie Logo	 Food and Beverage Ready-to-eat food made mainly from meat, fish, and vegetables Bread made from flour, and beverage made from fruit Tea with fruit flavors

2. Policy of Investment in Subsidiaries and Associated Companies

According to the Rehabilitation Plan, THAI Group has categorized our companies and restructured them in accordance with the future of the market and competitiveness. We also consider suitable partners using the Return of Investment principle. They can be divided into three groups:

- **Group 1** comprises enterprises that the Company has established to directly support strategies or the business of the Company. The Company has the authority to control, supervise, guide, and direct the operations of this Group in order to be in line with and in support of the Company's intention and purpose. The Company considers investing in these companies in the proportions in accordance with our strategies and policies to ensure that we can supervise the operations of subsidiaries and Associated Companies to be in line with the Company's strategies, and policies, in order to achieve goals.
- **Group 2** comprises enterprises that are directly related to the Company's business or possess related transactions with the Company or enterprises that support business activities or business partners. The Company considers investing in these companies in the proportions in accordance with the needs and appropriateness to enhance efficiency of the Company's operations.
- **Group 3** comprises enterprises that the Company holds shares for financial returns or following the government's policy. The Company does not have any authority to control or manage these enterprises. The Company considers investing in these companies according to their performances and the ability to generate returns for the Company.

The Company aims to foster sustainable growth for THAI Group including subsidiaries and Associated Companies that the Company has the authority to control. We have also made improvements on the process of monitoring and increased efficiency of investments in new projects to ensure that returns are according to plan while also creating added economic and strategic values to the business group in an efficient manner.

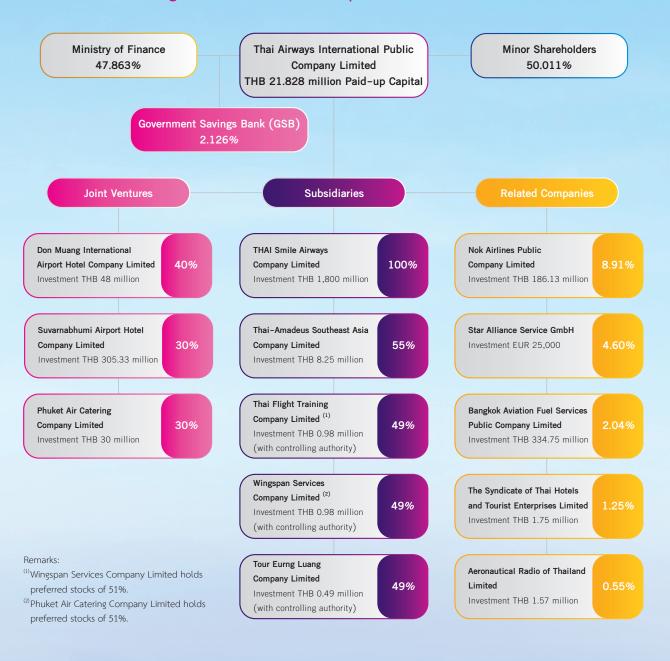
3. Undelivered Assignments

- none

Business Operations and Performance

1.3 Shareholding Structure of the THAI Group (Securities and Shareholders Data)

1.3.1 Shareholding Structure of the THAI Group





Juristic Persons that the Company holds more than 10 percent of the shares

The Company invests in the following juristic persons in which the Company holds at least 10 percent of the number of shares sold.

Company	Business Type	Equity Type	Paid-up Capital (THB million)	Shareholding Proportion (%)
THAI Smile Airways Company Limited 89 Vibhavadi Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900 Tel. 0-2117-8824 Fax. 0-2117-8895	Passenger and Freight Transport	Common stock	1,800.00	100.00
Thai-Amadeus Southeast Asia Company Limited 89 Vibhavadi Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900 Tel. 0-2207-9090 Fax. 0-2207-9180	Online Ticketing Services and Other Travel Services to agents	Common Stock	15.00	55.00
Wingspan Services Company Limited 89 Vibhavadi Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900 Tel. 0-2545-1267 Fax. 0-2545-1535	Human resource management	Common Stock / Preferred Stock	0.98 1.02	49.00 (With controlling authority)
Thai Flight Training Company Limited 89 Vibhavadi Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900 Tel. 0-2545-4603 Fax. 0-2545-4602	Flight training services	Common Stock / Preferred Stock	0.98 1.02	49.00 (With controlling authority)
Tour Eurng Luang Company Limited 89 Vibhavadi Rangsit Road, Chom Phon, Chatuchak, Bangkok 10900 Tel. 0-2356-2888 Fax. 0-2288-7158	Tourism services and tourism activities	Common Stock / Preferred Stock	0.49 0.51	Hold shares through Wingspan Services Company Limited 49.00 (With controlling authority)
Don Muang International Airport Hotel Company Limited 333 Moo 10, Choet Wutthakat Road, Si Kan, Don Mueang, Bangkok 10210 Tel. 0-2566-1020-1 Fax. 0-2566-1941	Hotel and restaurant	Common Stock	120.00	40.00
Phuket Air Catering Company Limited 10/3 Moo 6, Sanam Bin Road, Mai Khao, Thalang, Phuket 83110 Tel. (076) 327-497-502 Fax. (076) 327-123-4	Flight Catering	Common Stock	100.00	30.00
Suvarnabhumi Airport Hotel Company Limited 999 Suvarnabhumi Airport Hotel Building Moo 1, Nong Prue, Bang Phli, Samut Prakarn 10540 Tel. 0-2131-1035-46 Fax. 0-2131-1189	Hotel and restaurant	Common Stock	1,017.78	30.00

1.3.2 Persons who may be in conflict of interest holding more than 10 percent of voting shares in subsidiaries or joint ventures

- none

1.3.3 Relations with business groups of major shareholders

The Company's major shareholder is the Ministry of Finance. The core operations of the Company are not related in a significant manner to other business operations of the major shareholder.

1.3.4 Shareholders of THAI

The list of 10 largest shareholders of THAI, the number of shares and the proportion of shares they held as of December 31, 2023, is as follows:

Source of Information: Equity Distribution Report as of December 31, 2023 from the Stock Exchange of Thailand

No.	Name of Shareholder	Number of Common Stock	Shareholding Proportion (%)
1	Ministry of Finance ⁽¹⁾	975,543,321	44.693
2	Thailand Securities Depository Company Limited for Depositors ⁽²⁾	779,339,330	35.704
3	THAILAND SECURITIES DEPOSITORY COMPANY LIMITED FOR DEPOSITORS ⁽²⁾	349,833,533	16.027
4	Government Savings Bank	46,409,885	2.126
5	Mr. Chukiat Kachamat ⁽³⁾	1,209,700	0.055
6	Mr. Yuu Weerakul ⁽³⁾	500,000	0.023
7	Mr. Paradorn Suwanpatra ⁽³⁾	426,200	0.020
8	Mr. Phisit Pruekpaiboon ⁽³⁾	345,364	0.016
9	Ms. Thongthip Sirichayaporn ⁽³⁾	100,000	0.005
10	Mr. Prateep Mahakitsiri ⁽³⁾	100,000	0.005
	Other shareholders	28,964,584	1.326
	Total Paid-up Capital	2,182,771,917	100.000
	Thai Shareholders	1,832,492,916	83.950
	Foreign Shareholders	350,279,001	16.050

Remarks:

⁽¹⁾ The Ministry of Finance holds 975,5343,321 shares of Thai Airways International Public Company Limited, amounting to 44.693%. It deposits 69,193,870 shares with Kiatnakin Finance Public Company Limited, amounting to 3.168% (included in number 2, Thailand Securities Depository Company Limited for Depositors). In total, the Ministry of Finance holds 1,044,737,191 shares or 47.86%.

⁽²⁾Thailand Securities Depository Company Limited for Depositors and THAILAND SECURITIES DEPOSITORY COMPANY LIMITED FOR DEPOSITORS hold shares on behalf of investors through depositors who are members of the Thailand Securities Depository Company Limited by virtue of Sections 225-228 of the Securities and Exchange Act B.E. 2535 (1992).

⁽³⁾ Shareholders numbers 5-10 do not exhibit any behavior that influence the policy-making and the management of the Company such as sending representatives to sit in the Board of Directors of the Company.

1.4 Number of Registered and Paid-up Capital

1.4.1 Registered and Paid-up Capital

As of December 31, 2023, the Company had registered and paid-up capital as follows: Registered Capital 33,682,460,165 shares of THB 10 per share, totaling THB 336,824,601,650 Paid-up Capital 2,182,771,917 shares of THB 10 per share, totaling THB 21,827,719,170

1.4.2 Other types of stock that may have different rights or conditions compared to common stocks

- none

1.4.3 Where there are convertible stocks or securities as reference securities in issuing unit trust of the Thai Trust Fund and Non-Voting Depository Receipt (NVDR), the number of such stocks and reference stocks are to be specified. Details with regard to the impact on the right to vote of shareholders due to the mutual fund or the NVDR issuer not exercising the right to vote at the shareholders meeting are to be provided.

- none

1.5 Issuance of Other Securities

1.5.1 Convertible Securities

In 2023, there was no issuance of other securities.

1.5.2 Bonds

In 2023, there was no bond issued.

1.6 Dividend Payment Policy

The Company has a policy to pay annual dividend at the rate not below 25 percent of the net profit before profit or loss from foreign exchange, from the consolidated financial statements. Such dividend payment depends on the investment plan, necessities, and other considerations in the future. However, the Company may pay dividend at a different rate or suspend the payment as deemed appropriate by the Board of Directors. When the Board of Directors resolves to pay or suspend payment of annual dividend, the resolution must be submitted to the shareholders' meeting for approval.

The Public Limited Companies Act B.E. 2535 (1992) forbids public companies to pay dividends should there be accumulated loss, even though a company generates profits in that year. Moreover, the Public Limited Companies Act B.E. 2535 (1992) and the Company's regulations state that a company must allocate a part of net annual profit as reserves for not less than 5 percent of the annual net profit deducted by accumulated loss (if any), until the reserve amounts to at least 10 percent of the Company's registered capital.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)





2. Risk Management



The Company aims to promote risk management as part of the corporate culture by issuing the policy on risk management and risk appetite to ensure that the Company grows and generates sustainable income in the long term for stakeholders. The Company has therefore ensured that its strategies on risk management are in line with international guideline and practices of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), and integrative with the Thai Corporate Governance Code for Listed Companies 2017. The Company's policies, regulations, and standards in related to operations and assignments have incorporated and assignment cover the principles of good governance, risk management and internal control, and compliance, under the risk management structure that clearly determines the duties and responsibilities. A risk management agency is also tasked with risk management and control. The Company has issued a policy, process, monitoring, and reporting of risk level, as well as clear delineation of responsibilities and reporting lines. The Company has taken into account the following risk factors that may affect the work of the Company as follows:

Risk Management Structure

The Company has in place the risk management systems throughout various committees in the Company, in line with the rehabilitation plan and the efforts to achieve the targets. The duty to manage risks at work is considered a responsibility of every department and is under the supervision of the management. Risks have to be managed to be within the risk appetite.

Risk Management Tools

The Company has incorporated various tools such as the determination of Risk Appetite, evaluation and monitoring of risk management through the Risk Mitigation Plan and Key Risk Indicator (KRI).

Risk Management Culture

The Company is committed to strengthen support for resource allocation and support for risk management as part of the organizational culture in various areas in an appropriate manner. Trainings on risk management and

internal control have been organized to enhance the effectiveness of risk management. The Company has communicated and disseminated risk management manual throughout the organization through website, surveys of personnel's understanding in order to continuously improve the effectiveness of corporate risk management.

Business Risks

Risk factors: the Company has evaluated the situation both internal and external factors that affect its goals and performance, resulting in uncertainties in business. In this regard, the Company needs to have management process to increase efficiency and reinforce competitiveness. The Company has divided risks to business as follows:

Strategic Risk

1. Risk on Fostering Core Values and Corporate Culture

Due to the changing situations resulting from internal and external factors, the Company has adjusted its business undertakings, restructured, reduced corporate size, modified the conditions of employment and the remuneration structure, to be prepared for the new work approach while recognizing that human resource is a key factor that makes the Company able to achieve its vision and mission.

The Company is committed to encourage its personnel to exhibit behaviors that are in line with the Company's Core Values. The management has promoted the corporate culture that focuses on Integrity for Trust, Being a Role Model that can be adapted to everyday work, and the treatment of all stakeholders in order to limit the damage caused by unwanted behavior, thus lowering the risks that may affect good image and reputation. This will enhance the strength and unity of personnel, making them ready to face any changes that may arise during the transformation of the organization.

2. Risk on the Governance of Subsidiaries

The Company has invested in subsidiaries, joint ventures, and related companies to accommodate strategies and support the operations of the Company, focusing on sustainable development. The Company has ensured that the policies and approaches of subsidiaries are in line with and in support of the strategies stipulated by the Company.

The Company has determined criteria for the appointment of representatives, guideline on duties

and benefits of the nominated directors performing secondary functions to manage, monitor, and supervise subsidiaries, as well as analyze strategies and business plans to ensure that the investment is in line with the strategic framework of the parent company and that the investment yields highest benefits and efficiency. Reviews of performance and strategies are conducted annually.

Moreover, the Company has restructured its business operations by integrating Thai Airways with THAI Smile Airways in every aspect to enhance business efficiency and competitiveness of Thai Airways in income generation, cost management, flight operations, customer experience, corporate management, and human resource. The focus is to integrate work processes as one.

Operational Risk

3. Operation Disruption Risk

In the context of airline industry recovery in the Asia Pacific region, together with the support by the government to stimulate Thailand's travel industry, there is rapid increase in travel demands. In this regard, the Company needs to work on ensuring that the Company has enough aircraft to meet demands, while continuing to maintain high standard of flying. These are in spite of the limitations and obstacles such as the lack of spare parts due to the overall insufficiency at the level of aircraft industry, and the insufficient ground staff compared with the increase in the number of flights. To alleviate such effects, the Company has improved its regulation on procurement and inventory management in order to streamline the procurement

procedure and reduce the processing time. The Company has also produced and integrated aircraft management and flight plans, adjusted remuneration, procured and repaired equipment, and conducted short-term leases, with the aim of achieving international standards and providing good experience for customers.

4. Cyber Security Risk

There has been an increasingly important roles of technology and information technology system in driving businesses and being the key foundation to enhance efficiency to accommodate business strategies, reduce costs, and increase competitiveness and business agility, as well as expand the tech ecosystem. The business, which relies more on technology, cannot avoid the increasing risk of cyber security threats. There is a potential to have a serious impact on the operations, a loss or leakage of the Company's key information, as well as personal information of customers, vendors, and employees. Such damage may result in the loss of reputation and credibility of the Company as well as financial impact from ransomware, lawsuit or a loss of income or profit.

The Company is fully aware of the serious effects of cybersecurity threats. Hence, the Company has laid out risk management measures at the organizational level and developed technology system continuously.

Such measures include vulnerability assessment of web applications, networks, and endpoints, the procurement of tools to check on networks and endpoints to detect any unknown security breaches, cyber security awareness trainings for all employees, and the evaluation of phishing mail awareness among employees.

Financial Risk

5. Risk on Performance not meeting Targets

The airline business has met with a myriad of negative factors including the slowdown of global economy, wars, pandemic, and the fluctuations of oil prices. Following the recovery of the tourism industry, many airlines have gradually resumed their services to full capacity to maintain their former routes or opened new potential routes to accommodate increasing demands of passengers.

The Company is aware of the factor that has a direct effect on the Company's performance. In this regard, the Company has introduced several approaches to increase income including providing incentives for agents and benefits for those who purchase through the Company's website. Diverse channels of payment have been developed. Sales are boosted by Hit & Run program during low season. Cash Plus Miles is also applied to induce potential customers. The Company has also developed its products and services to





generate highest satisfaction among passengers through Taste of Thai Tales, development of in-flight entertainment (IFE), arrangement of package tours in accordance with passengers' needs, route planning by increasing flights in high potential routes and reducing flights in routes where the demand of passengers is not as much as expected. There are other approaches such as providing chartered flights both for passengers and cargo, sales of products through THAI shop, and reducing expenses to be in line with the stipulated budget framework, as well as managing costs to generate liquidity. As of December 31, 2023, the Company and its subsidiaries had a net profit of THB 28,123 million with EBITDA after deduction of debt payment in accordance with the aircraft lease agreements, together with aircraft lease value calculated from power by the hour resulting in the profit totaling THB 42,875 million. As of December 31, 2023, the remaining cash amounted to THB 52,939 million with the negative shareholders' equity of THAI and its subsidiaries amounted to THB -43,142 million.

6. Jet Fuel Price Fluctuation Risk

In airline business, oil price constitutes a key operational expense. Fluctuation in jet fuel price, be it due to the increase or decrease in price, will have a direct and significant effect on the Company's performance.

In this light, the Company has in place measures to prevent and alleviate the impact by imposing and managing fuel surcharge, as well as purchasing excess fuel from future oil prices.

7. Foreign Exchange Fluctuation Risk

Fluctuations in the exchange rates are difficult to predict since there are a number of factors that affect the movement of exchange rates including fundamentals of domestic economic system, monetary and fiscal policies, global economic conditions, political stability, speculation, hedging and news items.

As the Company's revenue and expenses consist of various currencies, the Company has had to manage risks due to fluctuations in the exchange rates effectively through natural hedging whereby the Company ensures that the greatest amount of expenses must be in the same currency as revenue. Surplus cash in secondary currencies is converted into core currencies (THB, USD, EUR, JPY, GBP), in line with expenses at various time, especially USD which is the key expenses currency of the Company.

Risk on Compliance

8. Risk on Compliance with Laws and Regulations

The Company operates an airline business. It is therefore involved in complying with domestic and international laws, external regulations including those from Civil Aviation Authority of Thailand (CAAT), International Civil Aviation Organization (ICAO), European Union Aviation Safety Agency: (EASA), International Air Transport Association (IATA), and various regulators on safety and civil aviation of various countries around the world. Domestic laws that apply to the Company's operations include the Personal Data Protection Act B.E. 2562 (2019), labor laws and

regulations, rules, guidelines, and practices. The Company has a policy to ensure compliance with relevant laws and regulations, and readiness for new laws, while studying the impact, benefits and drawbacks of regulations for the greatest benefits of the Company and all stakeholders.

To ensure compliance, the Company has announced the policy on "Good Corporate Governance" in order for the directors, the management, and employees to adhere to and regard these as the principles to ensure that their work is in compliance with relevant laws and regulations, with regular reviews. The Company also ensures that the Company's conducts are in the same direction and in line with the changing business approaches, operations and laws. There are processes to ensure compliance with the laws and regulations overseen by the Department of Legal Affairs and Corporate Regulations to reduce risks from non-compliance. The Company possesses channels of communication and organizes training courses on good corporate governance, Personal Data Protection Act B.E.2562 (2019) (PDPA), and the EU's General Data Protection Regulation (GDPR).

9. Risks from the Inability to Implement the Conditions Stipulated in the Rehabilitation Plan

It is imperative for the Company to implement the rehabilitation plan and business reforms to ensure the success of the rehabilitation efforts. In 2023, the Company was able to repay its debts within deadlines without any default on debt payments. The Company has in place financial readiness measures to ensure that there is enough cashflows to repay debts at any point in time. At the same time, agencies related to debtors are coordinated to reduce any impact due to errors. Reports are submitted to the top management regularly.

The rehabilitation plan has stipulated the conditions for its success as follows: 1) being able to register for capital increase in accordance with the provisions in article 5.6; 2) being able to implement the rehabilitation plan without any defaults as per article 5.12; 3) achieving EBITDA after deduction of debt payment in accordance with the aircraft lease agreements of at least THB 20,000 million in the 12-month period prior to the submission of report to the Court on the success of rehabilitation implementation, with the positive shareholders' equity in the financial statements; and 4) appointing new directors following the changes in shareholders as per the conditions stipulated in article 5.6.8.8

2. Shareholder Rights and Investment Risk

As of December 31, 2022, the Ministry of Finance held the Company's shares in the proportion of 47.86 percent of the Company's total shares sold, allowing the Ministry of Finance to be able to control almost all resolutions of the shareholders' meetings, including the appointment of directors or any other resolutions that require the majority of the shareholders except items whereby the laws or the Company's regulations require three-fourths of the votes at shareholders' meetings. Hence, other shareholders were not able to gather votes to have in place checks and balances on items proposed by the major shareholder.

At present, the Company is operating under the rehabilitation plan in which the Central Bankruptcy Court approved of the proposal to amend the plan on October 20, 2022.

3. Risks from Investment in Foreign Securities

The Company does not have any investment in foreign securities.

3. Business Sustainability Development



3.1 Policy and Goals on Sustainability

Thai Airways International Public Company Limited has produced a Sustainability Policy as a guideline to drive the Company's business to generate value to society and the environment as well as stakeholders with the commitment to mutual participation and confidence. The Company complies with the principles of circular economy and value creation through excellent and transparent performance, with priority given to continuous development of innovation and technology, while emphasizing participation and sustainability in all activities. The approach of driving the sustainability strategy is as follows:

FROM PURPLE TO PURPOSE

The Company operates with importance given to every human being. We aim to elevate our corporate standards in the aspect of corporate governance, integrity, transparency, and equal treatment of stakeholders. We aim to drive and propel sustainable development of communities and the surrounding society.

FROM PLANE TO PLANET

The Company innovates and improves processes to deliver products and services that are friendly to the environment. We manage waste that is produced from the Company's business operations to reduce greenhouse gas emissions. This has been done through reducing, reusing, and recycling biomaterials and resources. Several products can be put back into value chains to for further uses. The Company promotes and encourages the efficient use of natural resources, as well as rehabilitating the environment and ecosystem.

FROM WASTE TO WEALTH

The Company generates appropriate business profits and sustainably transfer returns to stakeholders, further builds on used and deteriorated resources for growth opportunities together with communities and surrounding society, promotes access for the underprivileged to generate sustainable prosperity and growth. The Company's sustainable development goals are as follows:

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

- 1. Net Zero Emission by 2050
- 2. Becoming a listed company that operates business in a sustainable manner, taking into account the environment, society, and corporate governance, through the SET ESG Rating.
- 3. Generating and transferring opportunities for sustainable prosperity to stakeholders and the surrounding society.

The Company has stipulated its sustainable development strategies, as well as various other approaches, in line with the UN SDGs.

United Nations Sustainable Development Goals (UN SDGs)





















4C Approaches to Implement the Sustainable Development Strategy



COMPLY

Adhere to the laws, agreements, regulations, and guidelines related to the Company's business operations including in the aspects of aviation, environment, labor protection and corporate governance.



COLLABORATE

Develop cooperation with partners, allies, agencies, organizations, communities, as well as civil sociteties in order to come up with approaches to create value and enhance various aspects of sustainable development such as information technology, innovations, and economic growth.



CONTRIBUTE

Promote, propel, and drive projects and activities related to sustainable development with agencies, organizations, communities, and civil society. These are done in the forms of knowledge and experience exchanges, investment, and the utilization of various corporate resources, including human resource.



CREATE

Initiate sustainable development projects within the organization with clear goals and implementation plans in all aspects.



Guideline on the Implementation of Sustainable Development with Respect to Stakeholders

Stakeholder	Expectations of Stakeholders	Key Responsibilities of the Company
THE Shareholders/Creditors	Returns/debt payment within deadlines.Corporate governance	 Communicate, exchange, and provide information on the Company's undertakings with integrity on a regular basis. Operate with integrity, honesty, and transparency, emphasizing goals and the generation of sustainable profits.
Employees	Appropriate remunerationsFair and equal treatmentCorporate Governance	 Provide appropriate remunerations. Provide fair and equal treatment. Communicate, exchange, and provide information on the organization's operations regularly with transparency.
Customers	 Quality products and services Worthiness of products and services Convenience of services	 Deliver products and services that are worth the prices. Develop products and services constantly with a customer-based approach.
Vendors	 Fair benefits for both sides Fair and equal process of selection and competition 	 Operate with integrity, honesty and transparency. Treat vendors fairly and equally. Communicate, exchange and provide information on the organization's operations regularly with transparency.
Industry/Regulators	 Compliance with regulations, manuals, and provisions Cooperation among members in the industry 	 Comply with relevant laws, regulations, and rules. Cooperate by operating in accordance with the industry and business standards.
Communities	 Effects on the environment, and ways of life of those in communities Economic opportunities and sustainability 	 Develop and deliver economic opportunities and environmental sustainability. Avoid activities that may affect the environment.

Sustainable Development Strategic Framework in the Aspect of Environment

Goal : Alleviate the Problem of Global Warming caused by Climate Change

and Generate Environmental Sustainability			
Strategy	Details	Stakeholders	
Reduce Greenhouse Gas Emissions	 Operate business with responsibility in relation to climate change. Manage emissions of greenhouse gases. Manage risks that affect climate. Promote the use of clean or renewable energy. 	Employees, customers, vendors, regulators, and communities	
Environment Conservation and Biodiversity	 Promote the use of bio-renewable materials in the Company's products and services. Reduce the amount of waste through waste sorting and recycling in accordance with the principles of circular economy and value creation. Encourage activities and projects that seek to conserve the environment to maintain biodiversity. Cooperate with the international community to eradicate the trafficking of parts of wildlife and marine animals in the Company's flying routes. 	Vendors, regulators, and communities	

Sustainable Development Strategic Framework in the Aspect of Society

Strategy Details Stakeholders			
Foster Human Rights Equality	 Operate business in a manner that respects the rights of individuals, responsible and fair for stakeholders. Emphasize the safety and health of passengers and employees. Protect personal data of passengers and employees. Promote equality in the management and support employees without discrimination based on gender, religion, height, weight, and other characters. 	Employees, customers, and vendors	
Human Resource Management	 Plan and develop employees' skills and knowledge, manage work efficiency, and provide support for efficient operations. 	• Employees	

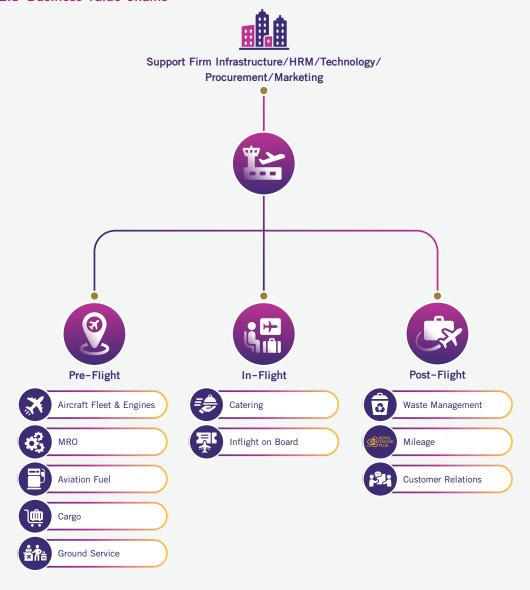
Goal: Foster Equality among Stakeholders while Being Responsible for Society and the Environment			
Strategy	Details	Stakeholders	
Development of Community and Society	 Provide educational and training support for communities; engage in the development of local potentials. Engage in creative projects for society. Engage in arts and culture activities. Cooperate with public agencies and the private sector in promoting social and environmental development activities for sustainability. 	Employees, customers, vendors, regulators, and communities	
Vendor Management and Responsible Procurement	 Sustainably manage supply chains, develop vendors' long-term potentials for growth and competitiveness to ensure that vendors possess responsibility and good corporate governance. Ensure that procurement is carried out in a fair and transparent manner. 	Employees and vendors	

Sustainable Development Strategic Framework in the Aspect of Good Corporate Governance

Goal: Become an Organization with Efficient and Transparent Management						
Strategy	Details	Stakeholders				
Ensure Compliance with Corporate Regulations	 Ensure efficient and transparent management under good corporate governance, with emphasis on shareholders including investors, directors, the management, customers, and society, through decision-making processes and structures. Policies and regulations, internal control, and performance monitoring are produced and put into effect. Promotes the use of bio-renewable materials in the Company's products and services. 	Shareholders, employees, customers, vendors, and regulators				
Risk Management and Crisis Response	 Regularly evaluate risks within the organization and improves measures following such evaluation, as well as put in place systems and fundamental steps for crisis response. Drills are conducted regularly to prepare for timely response to emergencies and reduce effects on the business as well as prevent recurrence. 	Shareholders, employees, customers, and vendors				
Regulatory Compliance	 Promote understanding and respect for the goals and objectives of laws and regulations to ensure compliance with laws and regulations of each country and region. 	Shareholders, employees, customers, and vendors				

3.2 Management of Effects on Stakeholders in the Company's Business Value Chains

3.2.1 Business Value Chains



The core activities of the Company include the complete provision of passenger transport and air cargo both domestic and international. There are following supporting activities that are systematically connected and have led to value creation in the Company's services:

Procurement

The Company has in place a centralized procurement processes with category-based sourcing. Processes

have become more appropriate and agile, with transparency in the procurement process. A new policy on procurement has made employees more focused on the corporate interests when negotiating for the best offer. Digital system has been introduced to assist in the storage of data of expenses or the gathering of data from all sources including relevant platforms. Having all data in one place facilitates data analysis, allowing the Company to determine strategic goals appropriately to reduce costs.

Digital Systems

The Company emphasizes the concurrent development of business, technology, and human resource. To be successful in transforming the Company towards a digital organization, we have improved our enterprise IT architecture to integrate digital infrastructure with applications for enterprise resource planning (ERP). Quality of data, necessary database, the management of performance data, data governance, and enhancement of competitiveness are all crucial for the Company. These will make the Company more friendly and accessible for targeted customers, thus increasing the efficiency in revenue generation, agility, and operational speed, as well as digital cost management. The long-term goal of the Company is to transform ourselves into a digital airline with information technology at the heart of work processes.

Human Resource Development

The Company has in place approaches to foster excellence in human resource by constantly developing potentials and capabilities of personnel, integrating work processes to increase efficiency and effectiveness. These will make it possible for the Company to be agile, reduce processing time, and be able to compete in a timely manner. A new work culture is fostered among employees to be flexible and ready for changes at all times.

Corporate Management

The Company has designed the overall corporate structure to be simple and reduce duplications as follows:

- 1. Core business that is cost effective and incomegenerating.
- 2. Supporting departments that facilitate effective cost management.
- 3. Rehabilitating organization by improving and modifying business units for operational excellence.

3.2.2 Analysis of Stakeholders in Business Value Chains

The Company is committed to gain acceptance from stakeholders in order to become a national airline with sustainable development while providing stability for society. In this regard, the Company attaches great importance on processes to foster participation from six key stakeholders:



The above processes have allowed the Company to be aware of the positive and negative implications of its business operations, as well as concerns and comments of stakeholders, leading to mitigation approaches which appropriately respond to the needs of each group of stakeholder. Details are as follows:

Response to Stakeholders	Channels of Communication and Frequency	Expectations from Stakeholders	Response to Stakeholders
Shareholders	 Annual General Meeting quality checklist Meeting attendance/phone-in meetings Quarterly meeting between the management, investors, and security analysts Clarifications and information provided over the phone or email Quarterly clarifications (four times a year) 	 Development of modern technology and innovation with international standard of quality Promotion of other industries related to aviation, in line with the government policy Increase in the efficiency of income management Compliance with air transport regulations stipulated by agencies such as International Air Transport Association (IATA), The Civil Aviation Authority of Thailand (CAAT), and International Civil Aviation Organization (ICAO) Rights and equality in voting and provision of necessary information 	 Compliance with good corporate governance principles and business ethics Equal and fair treatment of every shareholder, in line with provisions of the law Determination of efficient processes to monitor, inspect, and evaluate corruption risks Business operations that seek to generate good returns in a continuous and sustainable manner Strict compliance with relevant laws and regulations related to air transport
Employees	 Intranet (THAISphere) / e-mail Line Group - TG Internal Network Facebook Live Viva Engage 	 Human resource development both in terms of hard and soft skills for career advancement Promote work culture that seeks to ensure safety and prevention of accidents and dangerous work environment. Appropriate benefits and remunerations 	 Continuous knowledge development among employees to provide career advancement for employees of all levels Importance is given to the "operation-level staff" starting from transparent and fair recruitment processes. Promotion of conducive work environment with occupational safety and security Fostering of knowledge on safety among employees Determination of fair and performance-based benefits and remunerations
Customers	Electronic THAI Customer Satisfaction Survey (e-TCSS) Star Alliance Online Customer Satisfaction Survey (Star OCSS) Communications through online channels such as Facebook, LINE Official, Instagram, and WeChat	 Efficient and timely management and communication of information Network Optimization Digital channels for ticket booking and self-service operations Safe and convenient services 	 Development of services that best respond to the needs of customers Development of ticket booking innovations to increase convenient for customers Development of safer aviation innovations

Response to Stakeholders	Channels of Communication and Frequency	Expectations from Stakeholders	Response to Stakeholders	
Vendors	 Meetings Email Members' IT systems Website 	 Transparent, fair, and accountable procurement process Equal and fair treatment based on business relations Fair returns for both sides Avoidance of situations that may lead to conflict of interest 	 Strict compliance with contracts or conditions as agreed with vendors Responsibility in revealing information or facts that may cause damage to creditors Regular reports of the Company's financial status to creditors with accuracy and timeliness Resolution of issues through fostering good relations with stakeholders Determination of policies in relation to the treatment of business competitors that are in line with the framework of related laws Transparent competition without infringement of business confidential information of competitors whereby guideline is established to promote good competition without resorting to defamation and dishonest or inappropriate access to competitors' information 	
Industry/ Regulators	MeetingsEmailSocial MediaWebsite	 Compliance with rules, regulations, manuals and guidelines Cooperation among members in the industry 	 Compliance with rules, regulations, manuals and guidelines Cooperation among members in the industry 	
Communities	Social Media Website	Development of business operations that take into account natural resources, environment, and greater benefits by fostering the responsibility for society throughout the supply chain	 Involvement in the development of communities and society through CSR projects Promotion of social responsibility among employees of all levels Strict conduct of political neutrality 	

3.3 Management of Sustainability in the Aspect of Environment

3.3.1 Policies and Approaches on Environment

The global environment situations have become more severe especially air pollution and disasters due to sudden climate change, thereby having an indirect effect on the damage to the ecosystem. This issue is faced by many countries in the world including Thailand. Hence, the Company, as the national airline which is well-known internationally, we would like to be part of the solution. We have therefore incorporated environmental aspects in the Company's strategy, focusing on achieving low-carbon society.

The Company has in place a policy on environmental management based on environmental standard ISO 14001:2015, energy management standard ISO 50001:2018, and the 4Cs policy which includes conserving the environment, combating pollution, compliance with the law, and continuous improvement. These have become an approach for the Company to operate with responsibility to the environment through products and services that are environmentally friendly, including having environmental management that is in line with the international standard, reducing activities that may affect the environment, fostering consciousness and continuously conducting trainings for operators, promoting environment conservation among society and various organizations, as well as publicizing the Company's efforts to manage the environment. Such activities have been able to reduce the impact on the environment due to work processes, and able to operate the core businesses in an efficient manner.

Climate Change

Greenhouse Gas Emissions

Climate change is a problem with a widespread impact. It is imperative therefore to seek cooperation from all sides including the government, private sector, state enterprises, and the general public, as well as the international community. At the twenty-first session

of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) in Paris, France, the meeting agreed to the goal of maintaining the average global temperature increase of less than two degrees Celsius compared to the pre-industrial era.

With regard to aviation, the 39th General Assembly of the International Civil Aviation Organization (ICAO) agreed to issue Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) to compensate for and reduce carbon dioxide emissions of international aviation. Civil aviation authorities of each country have been tasked with the implementation of such scheme. In Thailand, the Civil Aviation Authority of Thailand (CAAT) has prepared for the implementation of CORSIA. Each airline is to appoint representatives, submit Emission Monitoring Plan and Annual Emission Report to CAAT.

The Company has completed the 2023 CORSIA Annual Emission Report and submitted to CAAT in accordance with CORSIA. We have also submitted the report on carbon dioxide emissions and carbon credit for the Year 2023 to German Emissions Trading Authority (DEHSt), a regulator, in March and April 2024, respectively. This is in accordance with the provisions of the European Union Emission Trading Scheme (EU ETS).

Moreover, the Company has also issued annual report on fuel usage on domestic routes for CAAT which would compile the data on carbon dioxide emissions following domestic air travel and submit to the relevant government authorities. The Company has also produced annual reports on the implementation of reduction of greenhouse gas emissions by filling in the form provided by CAAT (CAAT ENVI Form) in the section of Aeroplane Operator Improvements, and submitting it to CAAT. Developments on the assignments on greenhouse gas emissions are also to be reported to the Office of Transport and Traffic Policy and Planning (OTP).

3.3.2 Performance in the Aspect of Environment

The Company has followed the guideline on reducing greenhouse gas emissions according to the IATA's Four-Pillar Strategy namely;

1. Improvement of aeroplane and jet fuel technology by having modern aircraft fleet that uses less fuel, thus reducing greenhouse gas emissions and noise pollution. Sustainable Aviation Fuel (SAF) is promoted.

- 2. Increase in aeroplane efficiency by modifying processes to enhance efficiency and reduce fuels by carrying goods as necessary and adjusting aviation routes.
- 3. Increase the efficiency of infrastructures by cooperating with agencies that provide aviation services to reduce greenhouse gas emissions from aviation.
- 4. Adopt market-based measures and participate in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) to control greenhouse gas emissions in the aviation industry.

Key Statistics on Aviation Efficiency

Statistics of Effective Flight Operations	2021	2022	2023
Actual Fuel Consumption in T.Ltr	304,393	1,152,402	1,695,346
Energy consumption from actual fuel usage (Megajoules: MJ)	10,510,694	39,792,441	58,540,297
Fuel Consumption per passenger-kilometer (Liter/RP100Km) (unit: liter per number of passengers-kilometer)	23.85	4.97	4.23
Energy consumption from actual fuel usage per passenger-kilometer (unit: Megajoules per number of passengers-kilometer)	823.65	171.61	146.04
Carbon dioxide emissions (unit: Tons CO ₂ e)	752,688	2,825,220	4,192,168
Carbon dioxide (grams) per the number of passengers-kilometer (unit: grams per number of passengers-kilometer)	589.83	122.88	104.59

Energy Conservation

The Company prioritizes energy conservation in our core business processes. In this regard, we have issued Thai Airways Energy Management Policy in accordance with energy management standard ISO 50001: 2011. Concrete measures have been introduced including determination of objectives, goals, action plan on energy conservation, procurement of equipment and tools with prime consideration given to the energy efficiency, as well as awareness-raising on how to conserve energy among employees and society.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Biodiversity and Ecosystem Services

Prevention of trafficking of Ivories and Ivory Products Cargo of Thai Airways International has complied with the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and introduced strict and continuous measures to prevent illicit trade of wildlife. Since 2014, we have announced that we would not transport any ivory or ivory products on THAI flights.

Cooperation to Promote the Use of Sustainable Aviation Fuel (SAF)

In order to achieve Net Zero goals by 2050, Thai Airways International Public Company Limited has signed Memorandum of Understanding (MOUs) with PTT Global Chemical Public Company Limited, Bangchak Corporation Public Company Limited and PTTOR Public Company Limited. The project aims to exchange knowledge, experience, and technical support to promote the use of Sustainable Aviation Fuel (SAF) in Thailand to reduce greenhouse gas emissions and enable the Company to achieve the Net Zero emission goal by 2050 and Thailand's NET Zero goal by 2065.

Corporate Governance

On December 13, 2023, Thai Airways International Public Company Limited cooperated with PTTOR Public Company Limited to introduce Sustainable Aviation Fuel (SAF) on THAI flights as a pilot project for the route Phuket-Bangkok in an effort to manifest awareness of the need to conserve environment and concrete practices. SAF's rate of carbon dioxide emissions over its lifespan is lower compared with ordinary aviation fuels. Moreover, it is possible to reduce carbon dioxide by 80 percent compared with ordinary aviation fuels. Moreover, the fuel is also able to mix with Jet A1 fuels immediately. Its safety is also in line with the standard stipulated by International Civil Aviation Organization (ICAO) and International Air Transport Association (IATA). This is also in line with the European Union's stipulation on the proportion of SAF in jet fuel for aircraft flying out of airports in the European Union whereby such proportion has continued to increase. Thai Airways International is committed to conserve environment for future sustainability through several proactive measures that will be issued in the future.



• Signing Ceremony of the Memorandum of Understanding on Sustainability Initiatives Collaboration and Partnership between Thai Airways International Public Company Limited and PTT Global Chemical Public Company Limited.



• Signing Ceremony of the Memorandum of Understanding on Cooperation to Exchange Knowledge and Expertise on the Utilization of Sustainable Aviation Fuel (SAF) between Thai Airways International Public Company Limited and Bangchak Corporation Public Company Limited.

Change of Female Flight Attendants' Uniforms which Appropriately Blend Thainess with Sustainable Development

The Thai traditional dress uniform of female flight attendants is well known and accepted internationally. It is remembered for its aesthetic value which expresses the Thai uniqueness in Thailand's national airline. Thai Airways International is the first glimpse of Thailand for passengers from various countries for over half a century. The dress is made from Thai silk together with synthetic materials made from recycled materials. The dress continues to show its Thai uniqueness and beauty while increasing special character and functionality. It is easy to care for while allowing flight attendants to be agile. The dress has also passed the safety test, in line with international standards.



New business opportunities have also been explored based on the concept of reusing materials left from core business operations of Thai Airways International. The materials are produced into clothes, under "Concept for Vacation Mode". Recycling and upcycling are used, focusing on making new products and increasing their values instead of simply disposing them. Apart from reducing waste production, this business opportunity also reduces the use of water, energy, and chemicals.

ZERO WASTE LIVING

OUR PRODUCTS FIRST COLLECTION



3.3.3. Performance in the Aspect of Society

Thai Airways International Public Company Limited is an organization operating aviation business. We are now in the process of implementing the rehabilitation plan. The Company is still committed to the Sustainable Development Goals (SDGs) by operating business with social responsibility, and striking a balance by taking into account social and environment aspects. In 2023, the Company oversaw the following projects:





Project to Promote Good Health and Well-being for All

The Company organized a project "THAI sharing Happiness, Revitalizing Health and Well-being of the Elderly". We invited customers and employees to donate rubber bands and help make stretching bands from used rubber bands. They were then given to the Veterans General Hospital and Chatuchak District Office to share these bands with the elderly who would be able to exercise at home, reducing muscle weakness while stimulating cardiovascular system. The project was organized on the auspicious occasion of His Majesty the King's 71st Birthday on July 28, 2023 and Her Majesty Queen Sirikit The Queen Mother's 91st birthday on August 12, 2023.

Projects to Promote Decent Work and Economic Growth and Responsible Consumption and Production

the Company looked for partners to help create shared value (CSV) between organizations:



• The collaboration between Thai Airways International Public Company Limited and PTT Global Chemical Public Company Limited or GC has helped reduce the amount of plastic bottles in line with the circular economy principle. Thai Airways International invited employees and stakeholders to sort their used plastic bottles at YOU Turn Drop Point in the Company's premises. They would then be sent to GC to transform into new products. The project has helped the Company to achieve the goal of sustainable management and efficient use of resources.



• The project to sell "Jun Ka Pak" Hom Mali rice was a collaboration between the Chaipattana Foundation and Thai Airways International to help Hommali rice growers to present their quality products to the eyes of the world. Thai Airways International bought "Jun Ka Pak" Hom Mali rice from the Chaipattana Foundation under the operation of Prince Chakraband Pensiri Center for Plant Development. The rice has been used to prepare food for THAI' passengers in the First and Business Classes. It has also been used to prepare packed meals for sale to customers and the general public at every Puff&Pie branch. This is an example of cooperation between the two business partners in creating quality products for customers. It helps enhance the standards of products and services of Thailand with food made from quality ingredients from Thai farmers. The project is in line with the core mission in providing services by Thai Airways International with Thai charms and international standards.



• The collaboration between Thai Airways International Public Company Limited and Thailand Post Company Limited. The Company supported the reBOX "BOX for the Disabled" project based on the principle of "A Loving Box that is Felt by All" of Thailand Post. The project has helped conserve the environment by reducing the amount of packaging waste by campaigning and providing space for donation of packages and paper folders at various offices of Thai Airways International. The boxes and paper folders would be changed into goods by individuals with disabilities. The individuals with disabilities have been provided with the opportunity to jointly create value that is beneficial for society.

Australian Routes

include Sydney and Melbourne.





THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Corporate Governance

4. Management's Discussion and Analysis for Year 2023 ended as of December 31, 2023, for Thai Airways International Public Company Limited and Its Subsidiaries



4.1 Executive summary

In 2023, the global economy continued to expand but at a slightly slower pace compared to the previous year. The International Monetary Fund "(IMF)" projected average growth of 3.1%, which was lower than the 3.5% average in 2022 and the 3.8% average over the period from 2000 to 2019. This slowdown was due to the impact of geopolitical tensions and conflicts in various regions around the world which had disrupted supply chain management and led to inflation, exchange rate volatility, and higher costs of living. As a result, many countries had to adopt more restrictive monetary policies.

Global aviation industry had been continue to steadily recover of both passenger demand and profitability comparing to the same period last year while Revenue Passenger Kilometers "(RPK)" rose by 36.9%, and the

cabin factor increased from 78.7% to 82.3%. However, when compared to 2019, RPK still remained 5.9% lower. On the other hand, air freight side encountered some challenges due to the global trade slowdown, resulting in a 1.9% decrease in Revenue Freight Ton-Kilometers "(RFTK)" compared to last year. According to the Association of Asia Pacific Airlines "(AAPA)", the Asia Pacific aviation industry demonstrated an increase of 161.0% in the number of international passengers reaching approximately 278 million compared to the same period last year due to the continued recovery of the industry and reopening of China. Available Seat Kilometers "(ASK)" and RPK increased by 106.2% and 131.0%, respectively. Cabin factor increased from 72.2% to 80.9%. Available Dead Load Kilometers "(ADTK)" increased by 6.4% while RFTK decreased by 2.8% resulting the Freight load factor decreased from 66.5% to 60.7%.

In 2023 tourism and domestic demand, particularly private consumption, were key drivers of Thai economy. However, IMF forecasted that Thai economy growth is projected at 2.5%, a slight slowdown from 2022 which was 2.6% due to a slowdown in the global economy and a sharper contraction in government spending. At the end of 2022, Thai government cancelled the required COVID-19 documentation for inbound travelers. Later, the Free-visa policy was implemented during September 25, 2023 to February 29, 2024 for Chinese and Kazakhstani nationals resulting there were 28.1 million tourists in 2023, an increase of 17.1 million or 154.4% from the previous year. The top three countries were Malaysia, China, and South Korea, with 4.6 million, 3.5 million, and 1.7 million travelers respectively.

In 2023, Thai Airways International Public Company Limited "(THAI)" continued to implement a rehabilitation plan with vital operations include:

- Implementation of the fleet efficiency improvement and route expansion plan to support the recovery of the aviation industry and increase revenue efficiency included
 - Received five new Airbus A350-900 aircraft, designated for flights to cities like Beijing, Shanghai, and Guangzhou.
 - Resumed services to Beijing and Chengdu and increased flight frequencies to Hong Kong and Osaka.
 - Launched a new daily direct flight to Istanbul, Republic of Türkiye, from December 1, 2023 onward, also signed a Memorandum of Understanding (MOU) with Turkish Airlines to develop cooperation and study the feasibility of providing Joint Venture Operations flights. Istanbul is a major travel hub between Asia, Europe, and Africa. This would develop more competitive advantages in providing connecting flights to Europe and Africa.
- Exploitation of selling these non-core assets:
 - Six Boeing B747-400, one Boeing B737-400, and two Airbus A340-600 aircraft
 - Five unused engines

- 1,868 shares of the Fuel Pipeline Transportation Limited
- Four properties, i.e., residential unit in Singapor, Hong Kong, sales office in Rome, Italy, house in Jakarta, Indonesia, and sales office in Manila, the Philippines
- Restructuring of business operation in aviation business of THAI group: On May 17, 2023, THAI held a creditor committee's meeting that reached a resolution in favor of the company's restructuring of business operation in aviation as proposed by the Plan Administrators and THAI management. THAI will implement the restructuring of business operation in aviation in order to effectively improve fleet planning management, develop seamless route network for the benefits of customers. In 2023, THAI received 16 Airbus A320-200 aircraft from THAI Smile Airways (THAI Smile) which used to operate on domestic routes, including Chiang Mai, Phuket and Udon Thani. Also on international routes including Ahmedabad, Kolkata, Gaya, Hanoi, Kaohsiung, Kathmandu, Penang, Phnom Penh, Yangon, Siem Reap, Ho Chi Minh City, and Vientiane. In January 2024. THAI would receive four additional aircraft from THAI Smile for additional domestic routes, including Chiang Rai, Khon Kaen, Ubon Ratchathani, Krabi, Hat Yai, and Narathiwat. THAI Smile passengers will continue to receive consistently excellent service as passengers of THAI Airways going forward as ONE THAI ONE FLY.
- Environmental Commitment for Sustainable Growth:
 THAI is dedicated to reaching its net-zero emissions
 target by 2050 with three key principles; FROM
 PLANE TO PLANET, FROM WASTE TO WEALTH, AND
 FROM PURPLE TO PURPOSE. THAI have implemented
 various projects and initiatives including:
 - Collaborated with PTT Oil and Retail Business Public Company Limited (OR) conducted a test flight using Sustainable Aviation Fuel "(SAF)" on Phuket Bangkok route. SAF which releases 80% less carbon dioxide than regular aviation fuel throughout its life cycle and is compatible in mixing with Jet A1 regular aviation fuel where no engine conversion is needed.

- Signing an MOU with Bangchak Corporation Public Company Limited (BCP) aiming to share knowledge, experiences, and expertise between the two parties to conduct technical studies on enhancing the efficiency of Sustainable Aviation Fuel (SAF) usage.

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- Collaborated with Jim Thompson, THAI introduced a newly designed set of eco-friendly amenity kit for Royal Silk passengers. The amenity kit is crafted from a green and environmentally friendly biodegradable fabric.
- THAI unveiled a new uniform for flight attendances, which would implemented on January 1, 2024 onwards. It would showcase Thai identity and was made from Thai silk blended with recycled fibers which would represent the transformation of unused materials into useful clothing. The new uniform offers both aesthetic and utility purposes as easier for looking after, flexier in wearing and had passed the safety standards.

THAI had been recognized for its outstanding service and hospitality in 2023, receiving several prestigious awards, for instance, one of the top ten airlines in the World's Best Airline Cabin Crew and Best Airline Staff in Asia from Skytrax. One of the top five airlines for Best Airlines and Best Frequent Flyer Program and one of the top three airlines for Best Economy Class from the DestinAsian Readers' Choice Awards 2023, which is a leading travel magazine in Asia-Pacific. THAI also was named TTG Travel Hall of Fame and Best Inflight Service Awards 2023. The awards were based on votes from readers of TTG Travel Trade Publishing magazines, including TTG Asia, TTG China, TTG India, TTG Mice, TTG Associations, TTG-BT Mice China, and TTG Asia Luxury. Furthermore, TTG Travel Hall of Fame was awarded to individuals or organizations that had won the same award for 10 consecutive years. THAI had received the award for Best Airline in Southeast Asia for 10 consecutive years and had been inducted into the TTG Travel Hall of Fame from 2016 to the present.

As of December 31, 2023, THAI and its subsidiaries operated a total of 70 aircraft, with an average aircraft utilization of 12.2 hours. ASK increased by 40.9% while RPK increased by 65.4%. Average cabin factor reached 79.7%, an increase from the previous year's average

of 67.9%. The total number of passengers carried was 13.76 million, 52.7% increase from last year. ADTK increased by 40.9% and RFTK increased by 15.4% compared to the previous year. Freight load factor was 51.7%, lower than the previous year's average of 63.1%

Operating Profit before finance cost excluding one-time items, for THAI and its subsidiaries was THB 40,211 million, an increase of THB 32,414 million (415.7%) from the previous year. Total revenue was THB 161,067 million, an increase of THB 56,026 million (53.3%) from last year. The main reason was the increase in passenger revenue of THB 58,701 million (79.3%). THAI resumed services to the People's Republic of China after its reopening, and increased frequencies on popular routes such as Tokyo (Narita, Haneda), Osaka, Seoul, Melbourne, and Singapore. In addition, THAI launched a new direct flight to Istanbul, Republic of Türkiye since December 1, 2023.

Furthermore, THAI had revenue from other businesses increased by THB 2,571 million (38.5%). Most business units had increasing revenue from the rising number of other airlines passengers, except cargo handling business. Total expense of THB 120,856 million, THB 23,612 million (24.3%) higher than the previous year partially from the increase in production and/or traffic. Finance costs (the recognition of financial costs according to Thai Financial Reporting Standards No. 9: TFRS 9), was THB 15,611 million, which was THB 3,224 million (26.0%) higher than last year.

THAI and its subsidiaries had one-time items as gain of THB 2,201 million, mainly gains from debt restructuring and sale of asset while loss from foreign exchange due to the depreciation of Thai Baht and rental adjustment for Don Mueang office. Consequently, THAI and its subsidiaries reported net profit of THB 28,123 million, an increase of THB 28,375 million from the previous year. Profit attributable to the parent was THB 28,096 million, equivalent to THB 12.87 per share compared to last year's loss per share of THB 0.12. EBITDA after cash paid for lease payment include Power by the Hour, amounted to THB 42,875 million, an increase of THB 25,634 million from last year.

4.2 Summary of Operating Results: THAI and its subsidiaries

The consolidated financial statements for 2023 consists of THAI's financial statement and five subsidiary companies which are 1) THAI-Amadeus Southeast Asia Co., Ltd., 2) Wingspan Services Co., Ltd., 3) THAI Smile Airways Co., Ltd., (THAI Smile), 4) THAI Flight Training Co., Ltd., and 5) Tour Eurng Luang Co., Ltd.

Financial Performance: THAI and its subsidiaries

		Jan - Dec				
			Variance			
	2023	2022 -	МТНВ	%		
Total operating revenues	161,067	105,041	+56,026	+53.3		
- Passenger and excess baggage revenue	132,737	74,036	+58,701	+79.3		
- Freight and mail revenue	15,464	23,784	-8,320	-35.0		
- Revenue from other businesses	9,245	6,674	+2,571	+38.5		
- Other income	3,621	547	+3,074	+562.0		
Total operating expenses	120,856	97,244	+23,612	+24.3		
- Fuel and oil	47,765	38,378	+9,387	+24.5		
- Non-fuel operating expenses	73,091	58,866	+14,225	+24.2		
Operating Profit before finance cost exclude the one-time items	40,211	7,797	+32,414	+415.7		
- Finance cost	15,611	12,387	+3,224	+26.0		
Operating Profit (Loss) exclude the one-time items	24,600	(4,590)	+29,190	+635.9		
Gain (Loss) from debt restructuring	3,956	(5,238)	+9,194	+175.5		
Gains on sale of asset	469	783	-314	-40.1		
Share of gain (loss) of associates using the equity method	64	(4)	+68	+1,700.0		
Gains from sale of investment	-	16	-16	-100.0		
Adjust Employee Benefit	-	237	-237	-100.0		
Mileage accumulation adjustment	-	(628)	+628	+100.0		
Items adjustment related to the right of use in aircraft	-	(656)	+656	+100.0		
Severance Pay	(16)	(112)	+96	+85.7		
Impairment loss on aircraft, right-of-use assets and rotable aircraft's spare parts	(77)	9,521	-9,598	-100.8		

Business Operations and Performance

Financial Statement

			Jan -	Dec	
		0000	0000	Varia	ance
		2023	2022 -	MTHB	%
Adjustment of holiday compensation f	or retired employees	(92)	-	-92	-
Impairment loss in accordance with TF	RS 9	(106)	(113)	+7	+6.2
Adjustment of per diem compensation	for retired employees	(250)	-	-250	-
Mutual Separation Plan (MSP)		(281)	610	-891	-146.1
Rental adjustment: Don Mueang office		(400)	-	-400	-
Loss on foreign currency exchange		(1,066)	(1,512)	+446	+29.5
Profit (Loss) before tax		26,801	(1,686)	+28,487	+1,689.6
Net Profit (Loss)		28,123	(252)	+28,375	+11,259.9
Profit (Loss) attribute to owners of the	e parent	28,096	(272)	+28,368	+10,429.4
Net Profit (Loss) per share	(THB)	12.87	(0.12)	+12.99	+10,825.0
Significant operating data					
EBITDA - Lease Payment	(MTHB)	42,875	17,241	+25,634	+148.7
Number of passengers	(Million)	13.76	9.01	+4.75	+52.7
Available Seat-Kilometers	(Million)	54,280	38,526	+15,754	+40.9
Revenue Passenger-Kilometers	(Million)	43,268	26,163	+17,105	+65.4
Cabin Factor	(%)	79.7	67.9		+11.8
Passenger Yield	(THB/RPK)	3.06	2.82	+0.24	+8.5
Available Dead Load Ton-Kilometers	(Million)	2,864	2,032	+832	+40.9
Revenue Freight Ton-Kilometers	(Million)	1,481	1,283	+198	+15.4
Freight Load Factor	(%)	51.7	63.1		-11.4
Freight carried	(Ton)	340,825	340,390	+435	+0.1
Freight Yield	(THB/RFTK)	10.21	18.28	-8.07	-44.1
Number of aircraft (As of Dec 31)	(Aircraft)	77	86	-9	-10.5
Flight hours	(Hours)	270,618	192,994	+77,624	+40.2
Aircraft utilization	(Hours/Aircraft/Day)	12.2	10.4	+1.8	+17.3
Average foreign currency exchange rate	e				
1 USD : THB		34.8022	35.0614	-0.2592	-0.7
1 EUR : THB		37.6238	36.8731	+0.7507	+2.0
100 JPY : THB		24.8223	26.7756	-1.9533	-7.3
Average jet fuel price	(USD/BBL)	113.01	135.16	-22.15	-16.4

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

Summary of THAI and its subsidiaries

Revenues

The total revenue (excluded the one-time items) was THB 161,067 million, an increase of THB 56,026 million (53.3%). As the following details:

• Passenger and excess baggage revenue

Passenger and excess baggage revenue amounted to THB 132,737 million, THB 58,701 million (79.3%) higher than last year's resulting from more flights and additional new routes to support the continuously increasing passengers demand including returning to service on the route to China after its reopening and increase frequencies on popular routes such as Tokyo, Osaka, Seoul, Melbourne, and Singapore. In addition, THAI had started to operate the new direct flight to Istanbul, Republic of Türkiye, since December 1, 2023.

- Revenue Passenger-Kilometers (RPK) increased by 65.4% or approximate THB 48,200 million while Available Seat-Kilometers (ASK) increased by 40.9%. Average cabin factor was 79.7% higher than last year's 67.9%.
- Average passenger yield (included fuel and insurance surcharges) was 3.06 THB, increased by 0.24 THB (8.5%) or around THB 10,300 million.

• Freight and mail revenue

Freight and mail revenue amounted to THB 15,464 million, a decrease of THB 8,320 million (35.0%) resulting from average freight yield (included fuel and insurance surcharges) was THB 10.21, decreased by THB 8.07 (44.1%) or around THB 11,900 million. Freight load factor average at 51.7% lower than last year's 63.1%. While there was an increase in Revenue Freight Ton-Kilometers (RFTK) by 15.4% or approximate by THB 3,600 million.

- Revenue from other businesses Revenue from other businesses consisted of revenues from business units which were ground services, catering, cargo handling services, and other supporting activities totaled THB 9,245 million, an increase of THB 2,571 million (38.5%) over last year mainly due to the increase in passenger number of customer airlines, except the cargo handling services.
- Other income Other income was higher than last year by THB 3,074 million mainly from receiving credit note from Rolls-Royce and more interest income from an increasing in cash and cash equivalents.

Expenses

Total expenses (excluded the one-time items) amounted to THB 120,856 million, an increase of THB 23,612 million (24.3%) due to expanded operations. As the following details:

- Fuel and oil expenses Fuel and oil expenses amounted of THB 47,765 million, 39.5% of total expenses, an increase of THB 9,387 million (24.5%) from more flights resulting more oil consumption than last year. While, average fuel price reduced by 16.4%.
- Non-fuel operating expenses (excluded the onetime items) Non-fuel operating expenses totaled THB 73,091 million, an increase of THB 14,225 million (24.2%), details as follows:

Business Operations and Performance

The following is a summary of expenses that have changed significantly:

- Variable cost consisted of flight service expenses, crew expenses, aircraft maintenance and overhaul cost, inventories and supplies and selling and advertising expenses including lease of aircraft and spare parts with Power by the Hour agreement which THAI had entered the Letter of Intent (LOI) totaled THB 45,161 million, higher than last year by THB 9,030 million (25.0%) resulting from an increasing in production and traffic. However, aircraft maintenance and overhaul costs were lower than last year due to receiving credit note from Rolls-Royce for Trent XWB engines. Also lease of aircraft and spare parts decreased due to most of the aircraft with Power by the Hour agreement reached the end of the contract.
- Fixed cost comprised of Employee benefit expenses, depreciation and amortization expenses, and other expenses totaled THB 27,930 million, THB 5,195 million (22.9%) higher than last year. Details are as follows:
 - Employee benefit expenses amounted to THB 10,069 million, an increase of THB 1,647 million (19.6%) resulting from the adjustment in salary increment of pilot and cabin crew which were changed caused by the COVID-19 situation.

- In addition, there were an employee base salary modification, one-time incentive, increasing number of employee and outsource staff.
- Depreciation and amortization amounted to THB 11,389 million, an increase of THB 1,508 million (15.3%), mainly due to returning Airbus A330-300 to service and the right of use of aircraft under the lease agreement were adjusted as per the interest rate specified in contract. Also, from receiving new aircraft.
- Other expenses amounted to THB 6,472 million, an increase of THB 2,040 million (46.0%) resulting from the increase in outsource labor varied in line with production growth.
- Finance cost amounted to THB 15,611 million, an increase of THB 3,224 million (26.0%) per TFRS 9.

Gains on debt restructuring amounted to THB 3,956 million, comprising of gains from termination of onerous contracts, gains on de-recognition of financial liabilities measured at amortized cost. However, there were loss per an Order from the Official Receiver. (Also see Note to the financial statements No. 5.2).

Gains on sale of assets amounted to THB 469 million, comprising of:

- Gains on the sale of other assets THB 446 million comprised of foreign real-estate and office
- Net loss on sale of aircraft amounted to THB 45 million consisted of
 - Net loss on sale of six Boeing B747-400 aircraft amounted to THB 48 million
 - Net gains on sale of two Airbus A340-600 aircraft amounted to THB 3 million
 - Sold one Boeing B737-400 equaling to net book value
- Gains on sale of five spare engines amounted to THB 38 million consisted of four Trent 500 engines and one PW4164 engine.
- Gains on sale of other assets amounted to THB 30 million.

Mutual Separation Plan ("MSP") THAI paid the compensation for employees granted approval to extend the term of retirement to MSP B, C, and D amount to THB 281 million.

Severance pay amounted to THB 16 million due to termination of employees abroad from entering the business rehabilitation process needed to improve all areas of costs reduction and increase competitiveness as well as cash management in accordance with the business rehabilitation plan.

Rental adjustment: Don Mueang office amounted to THB 400 million.

Holiday compensation adjustment for terminated staff amounted to THB 92 million.

Adjustment of per diem compensation for retired employees amounted to THB 250 million.

Impairment loss on aircraft, right-of-use assets and rotable aircraft's spare parts amounted to THB 77 million from deterioration.

Impairment loss under TFRS 9 amounted to THB 106 million.

Loss on foreign currency exchange was THB 1,066 million consisted of THB 1,640 million unrealized FX loss resulting from the revaluation of foreign currency loans for operating lease aircraft, assets, and liabilities, especially the depreciation of Thai Baht against the Euro as of December 31, 2023, when compared to December 31, 2022, and realized FX gain of THB 574 million.

- Share of profits of associates amounted to THB 64 million, higher than the previous year by THB 68 million. Details as follow:
 - Suvarnabhumi Airport Hotel Ltd.'s profit of THB 27 million, increased by THB 15 million from last year.
 - Don Mueang International Airport Hotel Ltd.'s profit of THB 20 million, where last year's loss of THB 5 million.
 - Phuket Air Catering Ltd.'s profit of THB 17 million, where last year's loss of THB 11 million.

EBITDA after cash paid for lease payment include Power by the Hour for 2023 amounted to THB 42,875 million, increased by THB 25,634 million from last year (148.7%).

4.3 Financial Position and Liquidity

Capital Expenditures

Unit: Million Baht	Jan - Dec			
Omit: Million Bant	2023	2022		
Aircraft and aircraft spare parts	5,303	998		
Non-Aircraft	164	18		
Total	5,467	1,016		

In 2023, capital expenditures were THB 5,467 million, an increase of THB 4,451 million from last year. Most of the investment expenses were mainly from procurements of aircraft spare engines and rotable aircraft spare parts.

Liquidity

As of December 31, 2023, THAI and its subsidiaries had cash and cash equivalent amount of THB 52,939 million or represented 22.2% of total assets, increased from December 31, 2022, by THB 18,399 million.

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

Unit : Million Baht	Jan - Dec		
Onit . Million Bant	2023	2022	
Net cash from operating activities	43,905	29,108	
Net cash from (used in) investing activities	(15,759)	2,401	
Net cash used in financing activities	(9,454)	(1,799)	
Effect of exchange rate changes on cash and cash equivalents	(282)	(666)	
Effect of changes in credit loss on cash and cash equivalents	(11)	(19)	
Increase in cash and cash equivalents	18,399	29,025	

In 2023, THAI and its subsidiaries had net cash from operating activities totaled THB 43,905 million, an increase of THB 14,797 million over last year resulting from operating profit. Net cash used in investing activities amounted to THB 15,759 million, over than last year by THB 18,160 million from investing in bill of exchange, fixed deposit, and procurement in aircraft spare engines and rotable aircraft spare parts. Net cash used in financing amounted to THB 9,454 million, increased by THB 7,655 million was mostly due to the repayment of lease liabilities. As a result, cash and cash equivalents as of December 31, 2023 was THB 52,939 million, THB 18,399 million increased from the amount as of December 31, 2022, which was THB 34,540 million.

Fleet

As of December 31, 2023, THAI and its subsidiaries had total seventy active aircraft (including A320-200 under the operations of THAI Smile) with seven long-term parking and twenty decommission aircraft which the Business Rehabilitation Plan Administrators approved to sell to the awarded bidder, on process of drafting the contract and property inspection.

Assets of THAI and its subsidiaries

As of December 31, 2023, total assets totaled THB 238,991 million, an increase of THB 40,813 million (20.6%) from December 31, 2022. These comprised of:

		Consolidated					
	Dec 3	1, 2023	Dec 31	Dec 31, 2022		nce	
	МТНВ	% of Total Assets	МТНВ	% of Total Assets	МТНВ	%	
Current assets							
Cash and cash equivalents	52,939	22.2	34,540	17.4	+18,399	+53.3	
Non-current assets held for sale	2,103	0.9	2,747	1.4	-644	-23.4	
Other current assets	39,034	16.3	22,517	11.4	+16,517	+73.4	
Current Assets	94,076	39.4	59,804	30.2	+34,272	+57.3	
Property, plant and equipment - net	44,579	18.6	45,969	23.2	-1,390	-3.0	
Right-of-use Assets	65,048	27.2	61,869	31.2	+3,179	+5.1	
Other non-current assets	35,288	14.8	30,536	15.4	+4,752	+15.6	
Total Assets	238,991	100.0	198,178	100.0	+40,813	+20.6	

Current assets were THB 94,076 million or represented 39.4% of total assets, an increase of THB 34,272 million (57.3%) from as of December 31, 2022. The significant items consisted of:

- Cash and cash equivalents increased by THB 18,399 million (53.3%) mainly from net cash from operating activities was higher than net cash used in investing and financing activities (Also see Note to the financial statements no. 7.1).
- Non-current assets held for sale decreased by THB 644 million (23.4%), from selling aircraft, consisted of six Boeing B747-400, one Boeing B737-400 and two Airbus A340-600, engines, and other assets with a net total book value of THB 1,730 million, 44 million and 9 million respectively. As well as transferring land, house and office building in London, England from Property, Plant and Equipment to other non-current assets, net book value of THB 244 million. However, there was the selling approval from the Business Rehabilitation Plan Administrators which consisted of twelve aircraft, six Boeing B777-200 and six Boeing B777-300, with the total net book value of THB 1,386 million (Also see Note to the financial statements no. 11).
- Other current assets increased by THB 16,517 million (73.4%) mainly due to an increase in other current financial assets by THB 14,191 million from investment in bill of exchange and fixed deposit over three months but not exceed twelve months including an increase in trade and other current receivables of THB 2,236 million (13.2%) from increasing sales (Also see Note to the financial statements no. 6, 8, 10).
- Property, Plant and Equipment-net amounted to THB 44,579 million or represented 18.6% of total assets, decreased by THB 1,390 million (3.0%) from December 31, 2022 mainly from transferring twelve aircraft (six Boeing B777-200 and six Boeing B777-300) with the total net book value of THB 1,386 million, which the Business Rehabilitation Plan Administrator approved to sell, to non-current assets classified as held for sale including depreciation for the period. Although, in this quarter there were purchase of three Trent XWB and one IAE V2527-A5 engines (Also see Note to the financial statements No. 13).
- Right-of-use assets totaled THB 65,048 million or represented 27.2% of total assets which consists of assets under finance lease agreements and obligations

under the aircraft operating lease agreement and other fixed asset under operating leases increased from December 31, 2022 by THB 3,179 million resulting from taking delivery of new five Airbus A350-900 aircraft under operating lease. Moreover, there were right-ofuse assets adjustment by re-measuring lease liabilities from changes in variable rental payments based on reference interest rates, valued at THB 1,536 million. (Also see Note to the financial statements No.14).

- Other non-current assets increased by THB 4,752 million (15.6%) mainly from
 - Other non-current assets increased by THB 2,873 million mostly from Security deposit under aircraft

lease agreements increased by THB 1,411 million and land, house and office building in London, England with net book value of THB 244 million and others THB 1,631 million (Also see Note to the financial statements No.17).

Management and
Corporate Governance

- Deferred tax increased by THB 1,396 million mainly from a decrease in deferred tax liabilities from changes in amortization of intangible assets and profits from the re-measurement of financial liabilities (Also see Note to the financial statements No. 15).

Return on Asset of 2023 was 12.87% while last year was -0.14%.

Liabilities of THAI and its subsidiaries

Total liabilities as of December 31, 2023, were THB 282,133 million, an increase of THB 12,931 million (4.8%) from December 31, 2022. These comprised of:

		Consolidated						
	Dec 31	Dec 31, 2023		Dec 31, 2022		ice		
	МТНВ	% of Total Assets	МТНВ	% of Total Assets	МТНВ	%		
Current liabilities	67,009	23.8	61,222	22.7	+5,787	+9.5		
Current portion of long-term liabilities	7,187	2.5	2,434	0.9	+4,753	+195.3		
Long-term liabilities	157,231	55.7	159,532	59.3	-2,301	-1.4		
Other non-current liabilities	50,706	18.0	46,014	17.1	+4,692	+10.2		
Total Liability	282,133	100.0	269,202	100.0	+12,931	+4.8		

Current liabilities which accounted for 23.8% of the total liabilities amounted to THB 67,009 million, an increase of THB 5,787 million (9.5%) from December 31, 2022, due to an increase in trade and other payables amount of THB 3,511 million and an increase in unearned revenues amount of THB 1,897 million (Also see Note to the financial statements No. 6, 20, 21).

Long-term liabilities (included the current portion of long-term liabilities) represented 58.2% of total liabilities, an increase of THB 2,452 million (1.5%) resulting from change in accounting value of debentures increased by THB 4,061 million under TFRS 9 using the amortized cost method. Moreover,

long-term loans from financial institutions and related party considering as debt adjustment at THAI, which was recorded for loans from financial institutions that have been confirmed by the official receiver to repay debts to creditors of loans from financial institutions and re-measured using the fair value method. The usage of the discounted cash flow method implemented at the market interest rate. Even though there was a decrease of THB 2,860 million in lease liabilities resulting from repaying debts and classifying liabilities under the Airbus A380-800 lease agreement as creditors (Also see Notes to the financial statements No. 6.2, 7.3, 18.1, 18.2, 19).

Other non-current liabilities accounted for 18.0% of total liabilities, an increase of THB 4,692 million (10.2%). Mainly from an increase in other non-current provisions of THB 2,563 million, from long-term provision for maintenance and overhaul of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others which has to pay maintenance in the future in accordance with the agreement. The Company estimates expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which are calculated along with usage time proportion. Moreover, trade creditors and other non-current creditors increased by THB 1,902 million from adjustments to be in line with the debt amount as ordered by the Official Receiver to require additional debt payments to those group of creditors (Notes to the financial statements no. 6, 20, 22, 23, 24).

As of December 31, 2023, the Interest Bearing Debt to equity was -3.81 times, compare to as of December 31, 2022, at -2.28 times and total debt to equity ratio of -6.54 times, and compared to the same period last years was -3.79 times.

Shareholders' Equity of THAI and its subsidiaries

As of December 31, 2023, the shareholders' equity of THAI and its subsidiaries amounted to THB -43,142 million, an improvement of THB 27,882 million compared to December 31, 2022.

Contingent Liabilities

As of December 31, 2023, THAI had liabilities that may arise from contingencies that was not shown in the financial statements which were letters of guarantee issued by domestic and foreign banks and obligations to pay in the future according to the aircraft lease agreement which is pending for delivery (Details according to the notes to the financial statements no. 35).

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

In 2023, THAI had total revenues (excluded the onetime items) of THB 152,455 million, higher than the previous year by THB 54,941 million (56.3%). Mainly from Passenger and excess baggage revenue with an increase of THB 57,711 million (88.1%) resulting from expanded operations, resuming services to the People's Republic of China after its reopening, and increased frequencies on popular routes such as Tokyo, Osaka, Seoul, Melbourne, and Singapore. THAI also started operating domestic and regional routes replacing THAI Smile. In addition, THAI launched a new direct flight to Istanbul, Republic of Türkiye since December 1, 2023. In addition, revenue from other businesses were increased by THB 2,533 million (32.5%) mainly due to the increase in passengers of customer airlines, except the cargo handling services. Total expenses (excluded the one-time items) amounted to THB 112,906 million, an increase of THB 26,599 million (30.8%) mainly from expanded production and traffic, resulting in operating profits before financial costs excluded the one-time items of THB 39,549 million, an increase of THB 28,342 million from the previous year (252.9%).

THAI had net one-time items as expense amounted to THB 5,568 million while last year reported as profit of THB 1,187 million. One-time items mainly consisted loss on restructuring of business operation in aviation business and rental adjustment: Don Mueang office, while there were gains on debt restructuring and sale of assets.

THAI had a net profit of THB 20,345 million, THB 17,648 million higher than last year. Representing a profit per share of THB 9.32, THB 8.08 higher than last year. EBITDA deducted aircraft lease payment included Power by the Hour for 2023 was THB 32,540 million, higher than last year's by THB 12,851 million.

Financial Performance: THAI

		Jan -	Dec	
	0000	0000	Varia	ance
	2023	2022 -	МТНВ	%
Total operating revenues	152,455	97,514	+54,941	+56.3
- Passenger and excess baggage revenue	123,200	65,489	+57,711	+88.1
- Freight and mail revenue	15,465	23,743	-8,278	-34.9
- Revenue from other businesses	10,326	7,793	+2,533	+32.5
- Other income	3,464	489	+2,975	+608.4
Total operating expenses	112,906	86,307	+26,599	+30.8
- Fuel and oil	44,263	34,593	+9,670	+28.0
- Non-fuel operating expenses	68,643	51,714	+16,929	+32.7
Operating Profit before finance cost exclude the one-time items	39,549	11,207	+28,342	+252.9
Finance cost	14,979	11,148	+3,831	+34.4
Operating Profit exclude the one-time items	24,570	59	+24,511	+41,544.1
Gain (Loss) from debt restructuring	3,956	(5,238)	+9,194	+175.5
Gain from sale of asset	469	783	-314	-40.1
Impairment loss in accordance with TFRS 9 (reversal)	194	(2,514)	+2,708	+107.7
Gain from sale of investment	-	16	-16	-100.0
Adjust Employee Benefit	-	237	-237	-100.0
Mileage accumulation adjustment	-	(628)	+628	+100.0
Severance Pay	(16)	(112)	+96	+85.7
Loss on foreign currency exchange	(58)	(1,488)	+1,430	+96.1
Impairment loss on aircraft, right-of-use assets				
and rotable aircraft's spare parts	(77)	9,521	-9,598	-100.8
Adjustment of holiday compensation for retired employees	(92)	-	-92	-
Adjustment of per diem compensation for retired employees	(250)	-	-250	-
Mutual Separation Plan (MSP)	(281)	610	-891	-146.1
Rental adjustment: Don Mueang office	(400)	-	-400	-
Restructuring of aviation business operation	(9,013)	-	-9,013	-
Profit before tax	19,002	1,246	+17,756	+1,425.0
Net Profit	20,345	2,697	+17,648	+654.4
Net Profit per share (THB)	9.32	1.24	+8.08	+651.6

			Jan - Dec				
				Varian	ce		
		2023	2022 -	MTHB	%		
Significant operating data							
EBITDA - Lease Payment	(MTHB)	32,540	19,689	+12,851	+65.3		
Number of passengers	(Million)	9.43	4.71	+4.72	+100.2		
Available Seat - Kilometers	(Million)	50,354	34,582	+15,772	+45.6		
Revenue Passenger - Kilometers	(Million)	40,083	23,201	+16,882	+72.8		
Cabin Factor	(%)	79.6	67.1		+12.5		
Passenger Yield	(THB/RPK)	3.06	2.81	+0.25	+8.9		
Available Dead Load Ton-Kilometers	(Million)	2,864	2,032	+832	+40.9		
Revenue Freight Ton - Kilometers	(Million)	1,481	1,283	+198	+15.4		
Freight Load Factor	(%)	51.7	63.1		-11.4		
Freight carried	(Ton)	331,372	286,522	+44,850	+15.7		
Freight Yield	(THB/RFTK)	10.21	18.25	-8.04	-44.1		
Number of aircraft (As of Dec 31)	(Aircraft)	73	66	+7	+10.6		
Flight hours	(Hours)	221,971	144,392	+77,579	+53.7		
Aircraft utilization	(Hours/Aircraft/Day)	13.6	11.4	+2.2	+19.3		
Average foreign currency exchange rate	e	,					
1 USD : THB		34.8022	35.0614	-0.2592	-0.7		
1 EUR : THB		37.6238	36.8731	+0.7507	+2.0		
100 JPY : THB		24.8223	26.7756	-1.9533	-7.3		
Average jet fuel price	(USD/BBL)	113.01	135.16	-22.15	-16.4		

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

As of December 31, 2023, total assets totaled THB 237,428 million, an increase of THB 39,129 million (19.7%) from December 31, 2022. These comprised of:

		Separate Financial Statement						
	Dec 3	1, 2023	Dec 31, 2022		Variance			
	МТНВ	% of Total Assets	МТНВ	% of Total Assets	МТНВ	%		
Current assets								
Cash and cash equivalents	52,359	22.0	34,042	17.1	+18,317	+53.8		
Non-current assets held for sale	2,103	0.9	2,747	1.4	-644	-23.4		
Other current assets	38,377	16.2	22,581	11.4	+15,796	+70.0		
Current Assets	92,839	39.1	59,370	29.9	+33,469	+56.4		
Property, plant and equipment - net	44,556	18.8	45,918	23.2	-1,362	-3.0		
Right-of-use Assets	65,042	27.4	56,295	28.4	+8,747	+15.5		
Other non-current assets	34,991	14.7	36,716	18.5	-1,725	-4.7		
Total Assets	237,428	100.0	198,299	100.0	+39,129	+19.7		

Current assets were THB 92,839 million, increased by THB 33,469 million (56.4%). The significant items consisted of:

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

- Cash and cash equivalent increased by THB 18,317 million (53.8%) mainly from net cash from operating activities was higher than net cash used in investing and financing activities (Also see Note to the financial statements No. 7.1).
- Non-current assets held for sale decreased by THB 644 million (23.4%), from selling aircraft consisted of six Boeing B747-400, one Boeing B737-400 and two Airbus A340-600, engines, and other assets with a net total book value of THB 1,730 million, 44 million and 9 million respectively. As well as reclassifying land, house, and office building in London, England from Property, Plant and Equipment to other non-current assets, net book value of THB 244 million. However, there was the selling approval from the Business Rehabilitation Plan Administrators which consisted of 12 aircraft, six Boeing B777-200 and six Boeing B777-300, with the total net book value of THB 1,386 million (Also see Note to the financial statements no. 11) as non-current assets classified held for sale.
- Other current assets increased by THB 15,796 million (70.0%) mainly due to an increase in other current financial assets by THB 14,091 million from investment in bill of exchange and fixed deposit over three months but not exceed 12 months including of increasing in trade and other current receivables of THB 1,627 million (9.5%) from increasing sales (Also see Note to the financial statements No. 6, 8, 10).
- Property, Plant and Equipment-net decreased by THB 1,362 million (3.0%) mainly from reclassifying 12 aircraft (six Boeing B777-200 and six Boeing B777-300) approved to sell by the Business Rehabilitation Plan Administrator, which had net book value of THB 1,386 million to non-current assets held for sale, including depreciation for the period. However, this year there were purchase of three Trent XWB and one IAE V2527-A5 engines (Also see Note to the financial statements No. 13).
- Right-of-use assets consists of assets under finance lease agreements and obligations under the aircraft operating lease agreement and other fixed asset under operating leases increased from December 31, 2022 by THB 8,747 million (15.5%) resulting from

taking delivery of new twelve Airbus A320-200 from THAI Smile amounted to THB 4,960 million and five Airbus A350-900 aircraft under operating lease. Moreover, there were right-of-use assets adjustment

by re-measuring lease liabilities from changes in variable rental payments based on reference interest rates, valued at THB 1,536 million (Also see Note to the financial statements No. 14).

Liabilities of THAI

Total liabilities as of December 31, 2023 were THB 280,780 million, an increase of THB 18,988 million (7.3%) from December 31, 2022. These comprised of:

		Separate Financial Statement						
	Dec 31	Dec 31, 2023		, 2022	Variance			
	МТНВ	% of Total Assets	МТНВ	% of Total Assets	МТНВ	%		
Current liabilities	65,709	23.4	58,956	22.5	+6,753	+11.5		
Current portion of long-term liabilities	7,180	2.6	2,430	0.9	+4,750	+195.5		
Long-term liabilities	157,231	56.0	159,531	61.0	-2,300	-1.4		
Other non-current liabilities	50,660	18.0	40,875	15.6	+9,785	+23.9		
Total Liabilities	280,780	100.0	261,792	100.0	+18,988	+7.3		

- Current liabilities increased by THB 6,753 million (11.5%) from December 31, 2022, due to an increase in trade, other payables and unearned revenue. (Also see Note to the financial statements No. 6, 20, 21).
- Long-term liabilities (included the current portion of long-term liabilities) increased by THB 2,450 million (1.5%) resulting from change in accounting value of debentures increased by THB 4,061 million under TFRS 9 using the amortized cost method. Moreover, long-term loans from financial institutions and related party considering as debt adjustment at THAI, which was recorded for loans from financial institutions that have been confirmed by the official receiver to repay debts to creditors of loans from financial institutions and re-measured using the fair value method. The usage of the discounted cash flow method implemented at the market interest rate. Even though there was a decrease in lease liabilities resulting from repaying debts and classifying liabilities under the Airbus A380-800 lease agreement as creditors (Also see Notes to the financial statements No. 6.2, 7.3, 18.1, 18.2, 19).
- Other non-current liabilities increased by THB 9,785 million (23.9%). The main reason was an increase in other non-current provisions of THB 9,491 million, from long-term provision for maintenance and overhaul of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others which has to pay maintenance in the future in accordance with the agreement. The Company estimates expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which are calculated along with usage time proportion. THAI recognized provisions for other non-current liabilities from the transfer of twenty Airbus A320-200 aircraft from a subsidiary. In addition, trade creditors and other non-current creditors increased by THB 1,902 million from adjustments to be in line with the debt amount as ordered by the Official Receiver to require additional debt payments to those group of creditors (Notes to the financial statements no. 6, 20, 22, 23, 24).

Shareholders' Equity of THAI

As of December 31, 2023, THAI had shareholders' equity of THB 43,352 million, an improvement of THB 20,141 million compared to December 31, 2022, mainly due to the operations profit this year.

4.4 Outlook

Economic trend in 2024 is expected to expand downward in every region except Europe which will initiate more monetary easing policy faster than other regions due to the uncertainty factors, such as interest rate, declining liquidity, rising commodity prices as a result of climate variability. In addition, geopolitical conflicts are still lengthened. Though, international trade will tend to improve as global supply chains begin to return to normal while the service sector has a tendency to develop.

The International Air Transport Association (IATA) forecasted that the number of passengers throughout the world will continue to grow steadily in 2024 surpassing pre-pandemic levels in 2019. In the long run, the Asia-Pacific region is expected to have the most rapid growth rate, at approximately 4.5% per annum with outstanding growth of India.

There has been a signing of an agreement between the Thai government and the government of the People's Republic of China regarding the exemption of visa stamping for ordinary passport holders and public affairs passport holders for entry, exit, or transit travel between both sides, each stay not exceeding 30 days and a total stay not exceeding 90 days within 180 days, which is considered a significant step in promoting people-to-people relations between the two countries in the long run, especially in tourism, business contacts, and exchanges. This agreement will come into effect on March 1, 2024, and is expected to greatly benefit the travel needs of passengers on the Thailand-China route.

THAI plans to expand its fleets and capacity to meet rising travel demand with new three Airbus A350-900 aircraft during the first quarter of 2024. Moreover, there is a plan to retrofit the cabin seats of Airbus A320-200 aircraft with new Royal Silk reclining seats by 2024. Furthermore, THAI also plans to install a wireless IFE system to provide in-flight entertainment services,





allowing passengers to connect their personal electronic devices (BYOD: Bring Your Own Device) to the internet and access entertainment while staying connected throughout the flight.

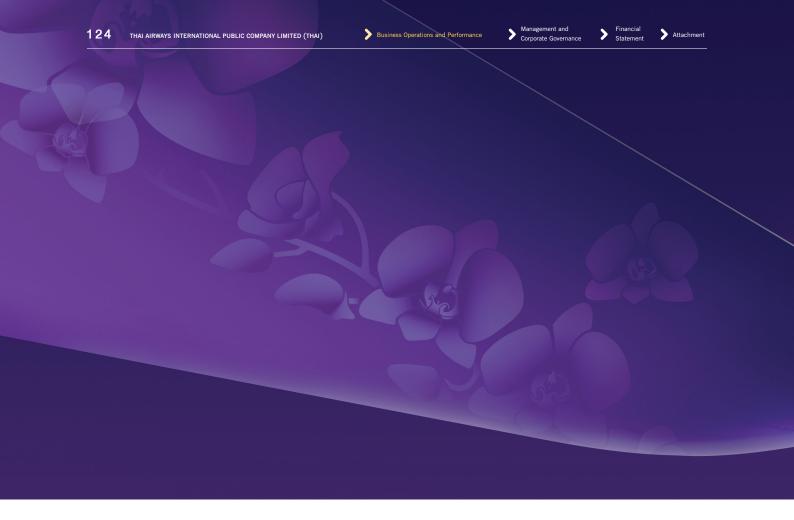
In addition, THAI will increase the frequency of flights to Sydney, Taipei, Tokyo, Kunming, Chengdu, and Phuket during the 2024 summer flight schedule and resume flights to Perth and Colombo on March 31, 2024, as well as Milan and Oslo on July 1, 2024. Finally, THAI plans to launch a new route to Kochi, India. Furthermore, the long-term aircraft acquisition plan is crucial for replacing gradually expiring leased and aging aircraft. THAI recently entered into an agreement with the Boeing Company and GE Aerospace in acquiring mid-range and long range wide-body, 787 Dreamliner aircraft consisting of a firm order of 45 aircraft and GEnx engines, with the potential to acquire up to 80 Dreamliners to be incorporated into the THAI fleet, with deliveries starting from 2027 to 2033.

THAI is now evaluating the restructuring of the group business, currently under in-depth study to evaluate directions, feasibility, and potential for business development. Seeking capable and expert partners to invest in the company to expand opportunities in aviation support services, including catering, ground services, aircraft and engine maintenance, cargo handling, and cargo and mail commercial services, to

enhance competitiveness, generate revenue, and reduce overall costs for the company.

THAI signed a MOU with Bank of China (Thailand) Public Company Limited (BOCT) to enhance cooperation with and support by providing various services such as financial transaction, cash flow management, and money transfers to improve liquidity and reduce financial costs, as well as foreign currency exchange, etc. This would be a great opportunity for better services in China, more financial business partner network, and better financial management capabilities and strength.

THAI expects to be able to complete the capital restructuring by 2024, according to the proposed revision of the plan, which the Central Bankruptcy Court issued an order approving the proposal for the Plan amendment of the Company Equity on October 20, 2022. Aiming to restore positive equity in 2024, and THAI's securities will be able to resume trading on the stock market in 2025 which will create confidence among creditors, existing shareholders, and investors for supporting THAI and becoming a part of THAI to grow strongly and sustainably, generating consistent profit.



4.5 Financial Ratios

			Jan - Dec			
		Consoli	dated	The Con	npany	
		2023	2022	2023	2022	
Liquidity Ratio						
Current Ratio	(times)	2.51	2.04	2.56	2.17	
Profitability Ratio						
Operating Profit (Loss) Margin	%	15.27	(4.37)	16.12	0.06	
Net Profit (Loss) Margin	%	17.46	(0.24)	13.34	2.77	
Return on Equity	%	(49.27)	(0.35)	(38.08)	(4.14)	
Efficiency Ratio						
Return on Total Assets	%	12.87	(0.14)	9.34	1.49	
Financial Policy Ratio						
Interest Bearing Debt to Equity	(times)	(3.81)	(2.28)	(3.79)	(2.55)	
Total Debt to Equity	(times)	(6.54)	(3.79)	(6.48)	(4.12)	
Interest Coverage Ratio	(times)	3.27	1.44	2.72	1.85	
Net Debt to EBITDA	(times)	4.49	12.88	5.61	11.02	
Debt Service Coverage Ratio	(times)	1.93	1.19	1.60	1.43	



GLOSSARY

Current Ratio

 Current Assets (Exclude Non-Current Assets held for sale/Current Liabilities (Exclude Unearned Transportation Revenues)

Operating Profit (loss) Margin

= Operating Profit (loss)/Total Revenue (Exclude the one-time items)

Net Profit (Loss) Margin

= Net Profit (Loss)/Total Revenue (Exclude the onetime items)

Return on Equity

= Net Profit (Loss)/Average Shareholders' Equity

Return on Total Assets

= Net Profit (Loss)/Average total assets

Interest Bearing Debt to Equity

= (Short-term Loan + Long-term Loan including current portion of Long-term Loan within one year) / Shareholders' Equity

Total debt to equity ratio

= Total liabilities/Shareholders' Equity

Interest Coverage ratio

= EBITDA/Interest

Net Debt to EBITDA

= (Total liabilities - Cash and cash equivalents)/EBITDA

Debt Service Coverage Ratio

= EBITDAR/(Long-term Loan repayment and Lease liabilities + Interest payment + Lease of aircraft and spare part)

5. General Information and Other Important Information



5.1 General Information

Securities Issuing Company

THAI **Abbreviation**

Type of Business Air transport services and other related businesses

Headquarters 89 Vibhavadi Rangsit Road, Chompon, Chatuchak, Bangkok 10900

0107537001757 Company Registration Number :

www.thaiairways.com Website

Telephone +66 2545 1000, +66 2025 1000

: +66 2356 1111 **THAI Contact Center** : +66 2137 4200 Cargo Contact Center Royal Orchid Holidays : +66 2545 3252

As of December 31, 2023, the Company had registered capital and paid-up capital as follows:

Registered capital of 33,682,460,165 shares with a par value of THB 10 per share, a total of THB 336,824,601,650 Paid-up capital of 2,182,771,917 shares with a par value of THB 10 per share, a total of THB 21,827,719,170



5.2 Other Important Information

Legal Disputes

Legal Disputes related to Leasing and Hire-Purchasing of Aircraft, and Contracts on Aircraft Services

On June 15, 2021, the Central Bankruptcy Court issued an order to approve THAI's Business Rehabilitation Plan and the amended Plan as per resolution of the creditors' meeting. The Plan Administrators acknowledged the Court's Order on the same day. The Plan Administrators were therefore authorized to operate THAI's business and manage its assets, in line with Section 90/59, accompanying Section 90/25 of the Bankruptcy Act B.E. 2483 (1940). The Plan Administrators then exercised their authority to not accept assets or rights of contracts with burdens over benefits in accordance with Section 90/41 Bis. Paragraph 3, and Section 90/26 Paragraph 2 of the Bankruptcy Act B.E. 2483 (1940). Details are as follows:

Contracts related to leasing and hire-purchasing of aircraft, and contracts on engine maintenance with burdens over benefits consist of 22 contracts/agreements related to AIRBUS A330-300, nine contracts/agreements related to AIRBUS A380-800 totaling 31 contracts as per Appendix 6 of the Rehabilitation Plan. Creditors had filed the request for repayment. Later, at the debt inspection stage by the Official Receiver, seven creditors then revoked their request for repayment, leaving six creditors, namely:

- 1. Beau Soleil Limited Partnership
- 2. Benjamas Hire Purchase Limited
- 3. SNC Siusa 1 Bail
- 4. SNC Siusa 2 Bail
- 5. Mihos SAS
- 6. Thara Rai SAS

Contracts Relating to Engine Maintenance:

- 1. Airbus Flight Hour Services
- 2. Rolls Royce Public Company Limited
 They are currently in the process of inspection
 of debts with the Official Receiver.

Secondary Market

The Company does not have any securities registered in a securities exchange of any other country.

Reference and Regularly Contacted Financial Institutions (Only for bond-related cases)

Securities Registrar (common shares) Thailand Securities Depository Company Limited

93, The Stock Exchange of Thailand Building Ratchadaphisek Road, Din Daeng, Bangkok 10400 Tel: 0-2009-9000 Fax: 0-2009-9991 SET Contact Center 0-2009-9999 E-mail: setcontactcenter@set.or.th

Website: http://www.set.or.th/tsd

Auditor

Deloitte Touche Tohmatsu Jaiyos Audit Company Limited

AIA Sathon Tower Floors 23-27

South Sathorn Road, Yannawa, Bangkok 10120

Tel: 0-2034-0000 Fax: 0-2034-0100

6. Corporate Governance Policy

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)



The Company is committed to conducting business by adhering to the principles of corporate governance, in line with the guidelines set forth by the Stock Exchange of Thailand and in accordance with the principles of ethics, transparency, and fairness. The goal is to promote efficient, honest, transparent and verifiable business operations that build confidence and trust among stakeholders while maximizing benefits for shareholders. To ensure alignment with these principles, the Company has published a comprehensive corporate governance manual accessible via the intranet network (THAISphere) and the website (www.thaiairways.com). Employees are encouraged to familiarize themselves with the manual and apply its policies and practices in their work. By doing so, the Company adds long-term value, enhances its competitiveness, and maintains a commitment to transparent and fair business practices, which are fundamental values for leading organizations.

The Company's Thai Airways Code of Ethics Manual, which compiles business ethics and guidelines for

employees, was issued in 2002. This manual has been regularly reviewed and updated to ensure relevance and consistency with corporate governance practices, in accordance with the rules and directives based on the principles of the Corporate Governance Code for Listed Companies 2017 of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), and also align with the principles of the Organization for Economic Cooperation and Development (OECD) and the ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard), which are international benchmarks for listed companies.

In this regard, the management has reviewed and improved the corporate governance manual. The Plan Administrators, during its meeting No. 18/2022 on May 13, 2022, approved the revised corporate governance manual on May 24, 2022. The manual contains five main chapters and 24 policies, as well as guidelines on performance reporting and following up for each function, ensuring that the Company's corporate governance policy is clear and substantive.

5 main chapters are as follows:



6.1 Corporate Governance Policy and Practices

Corporate Governance Based on the Principles of Good Governance

The Company is committed to business conduct that is based on morality and ethics. It is imperative that all directors, executives, and employees work with integrity and adhere to business ethical standards. This entails being forthright in their roles and responsibilities, as well as safeguarding and upholding the company's legitimate interests.

Directors, executives, and all employees must adhere to the principles of good governance and corporate governance as follows:

- 1. Rule of Law
- 2. Transparency
- 3. Responsibility
- 4. Accountability
- 5. Equitable Treatment
- 6. Creation of Long Term Value

Management and
Corporate Governance

Corporate Governance According to the Guidelines of the Stock Exchange of Thailand

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

The Company recognizes the importance of adhering to management practices that embody good governance or corporate governance, in line with the guidelines set by the Stock Exchange of Thailand. This commitment is aimed at demonstrating an efficient, transparent, and accountable management system, thereby fostering trust and confidence among shareholders, investors, and all stakeholders. Such practices contribute to the stability, advancement, and increased value of the Company, as well as promoting its sustainable growth. This is achieved by establishing a policy that mandates adherence to the Company's corporate governance manual, particularly in the following key areas:

- 1. Shareholders' Rights The Company recognizes the importance of shareholders and their rights. Building trust and confidence among shareholders is achieved when the Company establishes policies and operations that protect and uphold the fundamental rights shareholders are entitled to under the law. These rights include the right to buy and sell securities, right to share in the Company's profits, right to receive timely and adequate company information, various rights related to attending shareholder meetings, including authorizing someone else to attend and vote on their behalf, right to express opinions and ask questions during shareholder meetings, right to propose agenda items and nominate qualified individuals for election as company directors, participation in decision-making on important company matters, such as electing directors and approving significant transactions that impact the company's direction, and power to amend the Company's articles of association and regulations.
- 2. Equal treatment of shareholders the Company's policy is to facilitate shareholders and treat all shareholders equally, fairly, and in accordance with legal requirements. This includes measures to prevent situations where directors, executives, and employees use inside information to benefit themselves or their associates in wrongful ways, such as engaging in insider trading or disclosing inside information to related parties. The Company aims to build confidence among

investors by adhering to the following AGM Checklist: safeguarding the fundamental rights of shareholders, shareholders' voting rights at meetings are specified based on the number of shares they hold, with one share equal to one vote, independent directors are designated to take care of minority shareholders; the Company authorizes Thailand Securities Depository to serve as its securities registrar, shareholders' meetings are conducted according to the agenda stated in the meeting notice, shareholders may authorize others to attend the meeting and vote on their behalf as proxies, adequate meeting time is allocated to allow all shareholders equal opportunities to express their opinions and ask questions, updated important information is disclosed through the Company's website, meeting notices and documents are sent in English to foreign shareholders, and relevant departments within the management consider shareholders' suggestions after the meeting to determine whether they can be implemented.

- 3. Role towards stakeholders the Company acknowledges the significance of stakeholders across all sectors in enhancing competitiveness, creating added value, and generating profits. The Company has established a policy that ensures fair treatment of all stakeholder groups. This commitment extends to the Board of Directors, executives, and all employees, adhering to the principle of sustainable mutual benefit.
- 4. Information disclosure and transparency the Company recognizes the importance of and adheres to the principles of information disclosure and transparency as outlined by the Ministry of Finance, the Stock Exchange of Thailand, and the Securities and Exchange Commission. Relevant departments are responsible for managing and disclosing essential information related to financial matters and other aspects of the Company's business operations. This includes providing accurate, complete, timely, and transparent information to shareholders, investors, analysts, and all stakeholders in an equal manner. The Company disseminates information through the Stock Exchange of Thailand and through the Company's website www.thaiairways.com

5. Responsibilities of the Board of Directors - the Company's Board of Directors has specific duties and responsibilities in setting the Company's business direction in accordance with corporate governance principles. This is achieved through the establishment of policies, strategic plans, objectives, vision, and mission. The Board plays a crucial role in overseeing and monitoring the management's execution of policies and strategic plans. Additionally, the Board appoints specialized committees in charge of specific matters, the Company's auditors, and the Company Secretary responsible for conducting meetings and ensuring compliance with legal requirements. Moreover, Board members' conduct must be guided by knowledge, competence, integrity, and transparency, all for the Company's best interest.

6.1.1 Policies and Guidelines Relating to the Board of Directors

On September 14, 2020, the Central Bankruptcy Court issued an order for the rehabilitation of Thai Airways International Public Company Limited (a state-owned enterprise).

The Company operates in accordance with the approved rehabilitation plan. The Plan Administrators and the Plan Drafters were promptly notified of the Court's order. The responsibilities and authority of the Plan Drafters were immediately transferred to the Plan Administrators, who now holds specific rights and responsibilities regarding the implementation of the Rehabilitation Plan as per the revised version of the Plan approved by the Court on October 20, 2022, Article 10.4, Authority of the Plan Administrators. Such authority includes the rights and powers to manage the debtor's business and assets as well as all legal rights of the debtor's shareholders, excluding the right to receive dividends.

6.1.2 Shareholder and Stakeholder Policies and Practices

Treatment of Shareholders

The Company is committed to conducting its business with honesty, integrity, transparency, and fairness. So that shareholders are assured that decisions and actions taken by the Company are thorough and considerate, considering the best interest of

the shareholders and all stakeholder groups. The Company tries its utmost to generate consistent and sustainable returns for shareholders while treating all shareholders equally, as well as operating with honesty, integrity, transparency, and fairness. It considers the interests of major and small shareholders, as well as ensuring that the concerns of all stakeholder groups are addressed. Here are the guidelines:

- 1. Manage the Company's operations to ensure its progress, stability, and favorable returns for shareholders.
- 2. Performs its duties with competence and prudence as an experienced and knowledgeable individual would.
- 3. Manages the Company's assets against depreciation and loss.
- 4. Disclose the Company's relevant financial and non-financial related to the Company's business and operating results, adequately, regularly, and timely, demonstrating the actual state of the Company's operations and financial status.

Treatment of Stakeholders

Directors, executives, and operators perform their duties with fairness, treating stakeholders equally without discrimination based on race, nationality, religion, gender, physical condition, health, or any other unfair grounds.

Directors, executives, and operators adhere to international principles when dealing with business competitors, ensuring compliance with relevant laws. Confidentiality and trade secrets of competitors are respected, and monopolistic practices are avoided.

Directors, executives, and operators follow the Company's regulations regarding recruitment, appointment, and transfer, based on merit transparently and fairly.

The Board of Directors establishes channels for stakeholders to report illegal activities, violations of company regulations, corruption, or breaches of the Company's ethics and the code of conduct. Complaints are promptly addressed within a reasonable timeframe.

6.1.3 Ensuring Compliance with Corporate Governance Policies and Guidelines.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Prevention of Conflicts of Interest

The Company emphasizes the principles of corporate governance to mitigate conflicts of interest. The Board of Directors carefully evaluates items that might lead to conflicts, connected transactions and related transactions. The Board of Directors, the management, and all employees are required to strictly comply with the requirements set by the Capital Market Supervisory Board and the Stock Exchange of Thailand, ensuring confidence and trust with all stakeholders.

The Company's announcement on disclosure of connected transactions of Thai Airways International Public Company Limited in accordance with the rules and procedures of the Stock Exchange of Thailand has been in place since September 2004. It directs the Board of Directors and all management members who are considered connected persons according to the definition of the Securities and Exchange Commission to disclose information about related persons and juristic persons. Every time a new director or executive is appointed the Company Secretary will send a form "Details of connected persons according to the announcement of the Stock Exchange of Thailand regarding the disclosure of information and operations of listed companies regarding connected transactions, B.E. 2546 (2003) and the announcement of the Capital Market Supervisory Board No. Tor. Jor. 21/2008 regarding criteria of connected transactions", which has been updated to be consistent with the constantly changing detailed requirements set by the Capital Market Supervisory Board. Newly appointed directors or executives provide information and sign the form to certify the accuracy of the information. If there is any change post-submission, they must resubmit the form and sign to certify the accuracy of the information every time. The Company Secretary also submits details of related persons to the Chairman of the Board of Directors and the Chairman of the Audit Committee for their information, as well as preparing a summary of the names of related persons and juristic persons to be submitted to all management functions and their respective coordinators on related transactions.

This information is used for reviewing transactions that will be submitted to the Company's management or the Board of Directors. If a connected transaction is identified, the Company will proceed according to the prescribed procedures, which is based on relevant laws and disclosing in the annual information disclosure form/annual report (Form 56-1 One Report).

Management and
Corporate Governance

To provide clearer guidelines for dealing with connected transactions, the Company issued an announcement regarding the determination of pricing policy for connected transactions of Thai Airways International Public Company Limited in January 2005. Entering into connected transactions with related persons, the Company must adhere to the said policy to determine the price for purchasing goods and services from related businesses. Pricing must be based on the normal business price that the Company would use with other unrelated persons or businesses. It may use pricing policies with unusual business conditions or not in accordance with the market price only when necessary. To ensure that the company accurately and fully comply with the rules and procedures of the Stock Exchange of Thailand, including accounting standards, the Company Secretary will prepare an agenda "Connected transactions of Thai Airways International Public Company Limited" to be disclosed to the Plan Administrators and the management, so that they are informed of any significant connected transactions or items with potential conflicts. This is to ensure that such items comply with the principles of corporate governance and comply with the requirements of the Stock Exchange of Thailand.

Directors, executives, and all employees must act in the Company's interest, in accordance with the law and ethics, by avoiding actions that may cause conflicts of interest that may affect any decisions. The following guidelines should be adhered to:

1. Refrain from holding shares in business competitors of the Company, if such shareholding would impact their work duties. In the case where the shares were acquired before assuming the position of the Company's director, executive, and operator or before the Company operating in that business or acquired through inheritance, it must be reported to supervisors. 2. After leaving employment, directors, executives, and operators must not work with the Company's competitors for a period of one year. Additionally, they must not disclose any information considered to be the Company's secret for the benefit of themselves or others, whether it is electronic information, operational details, business information, or work plans.

Insider Trading Policy

The Company strictly adheres to the rules of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. It recognizes the importance of corporate governance. To achieve substantive results, in 2017, the Board of Directors approved the revision of the policy regarding insider trading prevention, in accordance with the Securities and Exchange Act (No. 5) B.E. 2559 (2016), which prohibits directors, executives, and employees who know or possess inside information from buying or selling securities issued by the Company based on that information which is material to changes in the price or value of securities that have not yet been disclosed to the general public or the Stock Exchange of Thailand and such knowledge was obtained by way of holding a position, being in a position or being an employee of the Company, regardless of whether such actions are done for the benefit of oneself or others, or disclosing such information to others to do so. The following guidelines should be adhered to:

- 1. Do not use inside information, which is material and has not been disclosed to the public, in securities trading to take advantage of outsiders, regardless of the time period.
- Do not disclose or pass on inside information to persons who are not related to that information. This includes persons with close relationships as defined by law and other persons.
- 3. In forecasting future events, analysts must verify that information used for the analysis or prediction must neither be false nor distorted nor incomplete. They must be responsible for and careful about the information that is communicated.

4. Employees in departments involved in the preparation of financial statements and material inside information, including people with close relationships as defined by law, must not buy or sell the Company's securities during the period when there is material inside information that may affect the price of the Company's securities, one month before the announcement of financial statements to the Stock Exchange of Thailand and three days after the announcement.

Such policy is required for every department. There is a good management system in place to supervise the use of inside information and confidential data to prevent leakage, which may cause damage to the Company or be misused to take advantage of investors. In 2023, through its corporate governance manual, the Company provided guidelines for disclosing and maintaining information that affects stock prices to directors, executives, and employees across various departments, with a view to raising awareness and putting these guidelines into practice.

Anti-Corruption

The Company is aware of the problem of corruption, which is among the most serious issues for every department of the Company. Operators at all levels must cooperate to control, inspect, and monitor to prevent and eliminate corruption. To address this issue, the Company has adopted a whistleblower policy for organizational management. In meeting No. 9/2023 on March 23, 2023, the management resolved to approve Complaints and Whistleblowing regarding corruption and Non-Compliance with Laws, Rules and Organization Regulations, B.E. 2566 (2023), replacing the old regulations. Under the new regulations, the criteria and procedures for reporting and providing information on cases of corruption and noncompliance with laws, rules and regulations are now clearer, in accordance with the Stock Exchange of Thailand's corporate governance guidelines for preparing whistleblowing policies and procedures. All stakeholder groups are involved in checking, monitoring, and reporting cases of corruption via designated channels. The Company will investigate the facts and take measures to protect whistleblowers and witnesses.

The Company's directors, executives and operators have a responsibility to understand and follow the anti-corruption policy, which is part of the corporate governance program. The corporate governance course is compulsory for all executives and employees. In addition, the Company provides channels for employees to immediately notify information when witnessing or suspecting any act of Corruption and be cooperative with the fact investigation process related to suspicious of corruption in order to proceed according to Complaints and Whistleblowing regarding Corruption and Non-compliance with Laws, Rules and Organization Regulations, B.E. 2566 (2023), The Company's anti-corruption policy is as follows:

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Duties and Responsibilities of Directors, Executives, and Operators

- 1. Directors, executives, and operators must not be involved in corruption, whether directly or indirectly, and must strictly comply with the Company's policies and operating procedures.
- 2. Directors, executives, and operators at all levels have a duty to help monitor and immediately notify information when witnessing or suspecting any act of Corruption and be cooperative with the fact investigation process related to suspicions of corruption.
- 3. Directors, executives, and supervisors of operators at all levels have a duty to ensure fairness for all parties, by adhering to moral principles, regulatory compliance and the corporate governance manual.
- 4. Relevant directors, executives and operators must comply with the Company's policy and regulations on reporting cases of corruption. They must investigate facts fairly, honestly and with accountability.
- 5. Directors, executives, and operations must share knowledge and promote understanding among others who have responsibilities related to the Company or may impact its operations on compliance with the policies on anti-corruption, conflicts of interests, and bribery.



Corporate Governance

Bribes and Incentives

Directors, executives, and operators with decision-making responsibilities are strictly prohibited from giving or accepting bribes, requesting bribes, or seeking any form of personal gain that is illegal and/or goes against the Company's regulations. They are also prohibited from delegating others to offer or accept bribes or incentives on their behalf, as well as acting as an intermediary in offering or receiving bribes related to the Company's business operations. The exception includes general commercial practices such as sales promotions and introduction of new products or services.

Gifts, Entertainment, Hospitality Services or Other **Benefits**

- 1. Directors, executives, and operators have a duty to periodically explain to relevant stakeholders the Company's no gift policy and asks for their cooperation.
- 2. Directors, executives, and operators may offer or receive gifts, presents, entertainment, hospitality services or other benefits, if they are in accordance with customs, traditions or culture or societal norms. However, they must neither influence the Company's operations and business decisions nor give rise to an expectation of any reciprocal benefit or anything else in return. In addition, the value of the gifts or benefits must not exceed THB 3,000.
- 3. If it is necessary to accept gifts, presents, entertainment, hospitality services or other benefits with a value exceeding THB 3,000 because it cannot be refused or to maintain good business relationships or for any other

reason, guidelines set forth in the corporate governance manual must be followed.

- 4. Directors, executives, and operators must not demand or receive gifts, presents, entertainment, hospitality services or other benefits from customers, suppliers, contractors, or persons involved in the Company's business. This prohibition applies in any situation that could potentially impact decision-making duties or create conflicts of interest with the Company.
- 5. Directors, executives, and operators must exercise due discretion in giving gifts, presents, entertainment, hospitality services or other benefits to other persons, ensuring that they are appropriate and do not affect the performance of their duties.
- 6. When providing gifts, presents, entertainment, hospitality services or other benefits to domestic government officials must be strictly in accordance with relevant laws and policies of that agency. Additionally, provision of such benefits to foreign government officials as per local customs must not violate any laws or customary practices.
- 7. Gifts, presents, entertainment, hospitality services or other benefits given or received must neither violate the law nor go against the prevailing morality and customs.
- 8. Offering business entertainment, such as food and beverage and other forms of entertainment directly related to the performance of business contracts or are commercial practices, including providing business insight, is allowed. However, expenses must be reasonable and should not impact operational decisions or create conflicts of interest.

Charitable and Public Benefit Donations, Facilitation Fess, and Sponsorships

Directors, executives, and operators must follow the guidelines on charitable and public benefit donations and sponsorships as follows:

- 1. Charitable and public benefit donations of money or property, facilitation fees and sponsorships must be transparent and legal, neither contrary to morality nor causing damage to society. They must be carried out in accordance with the Company's regulations concerning donations of airline tickets, baggage allowance and other benefits, B.E. 2553 (2010).
- 2. Giving or receiving money or property donated for charity or sponsorship must not be used as an excuse for bribery.
- 3. Reimbursement of charitable expenses and sponsorship must be in accordance with the Company regulations concerning donations of airline tickets, baggage allowance and other benefits, B.E. 2553 (2010). The process for disbursement of expenses must be in accordance with the Company's regulations concerning financial duties and responsibilities designated by the Company. In addition, the objective must be clearly stated and supported by verifiable evidence.

Governance Guidelines on Anti-Corruption are as Follows:

- The Company's personnel have a duty and responsibility in understanding and strictly adhering to the anti-corruption policy, corporate governance manual as well as the Company's rules and regulations.
- 2. The Company's personnel must not be involved in any acts of corruption to directly or indirectly benefit oneself, family, friends, relatives and acquaintances, whether he or she is the recipient, giver or offerer of a monetary or non-monetary bribe to government agencies or private entities that the Company conduct business with or are in contact with.

Business Operations and Performance

- 3. The Company's personnel must help monitor and immediately notify when witnessing or suspecting any act of corruption and be cooperative with the fact investigation process relating to such suspicion by whistleblowing to the person in charge of receiving complaints in order to proceed according to Complaints and Whistleblowing regarding Corruption and Non-compliance with Laws, Rules and Organization Regulations, B.E. 2566 (2023)
- 4. The Company recognizes the importance of complaints filed by the Company's personnel and related persons who witness any cases of corruption non-compliance with laws or the Company's rules, regulations, requirements and orders. The Company will conduct the fact investigate on the basis of fairness, transparency and verifiability.
- 5. The Company assures that none of its personnel will be demoted, punished, or suffer any consequences from refusing to give or receive a bribe. The Company will not tolerate any acts of intimidation, threats or detention made against the Company's personnel who are committed to following the anti-corruption policy.

To demonstrate its commitment against all forms of direct and indirect corruption, the Company has issued a notice to its subsidiaries, associated companies and related companies. It states that the Company's personnel and related persons acknowledge and comply with the Company's anti-corruption policy strictly, as well as supporting the implementation of the anti-corruption policy, with a view to mobilizing and forging a strong anti-corruption network. The Company has published its anti-corruption policy on the website. https://thaiair.thaiairways.com/ procurementThai/which is the Company's procurement announcement website for supplies to be aware of such policy and strictly adhere to.

Whistle Blower Policy

The Company recognizes the importance of addressing corruption issues and ensuring compliance with the laws and the Company's rules and regulations. Whistleblowing has been adopted as part of its commitment to preventing corruption. The regulations

of Thai Airways International Public Company Limited on reporting and providing information on cases of corruption and non-compliance with laws, rules and organizational regulations or good governance or ethics according to the code of good governance and ethics has been adopted and enforced since 2553 (2010). This policy allows both internal and external individuals who have witnessed or been affected by corruption or non-compliance to report such incidents to the person in charge of receiving complaints.

In 2023, the Company introduced regulations on reporting and providing information on cases of corruption and non-compliance with laws, rules and organizational regulations, B.E. 2566 (2023), designating the Chairman of the Board of Directors, Chief Executive Officer, Chief Officer who is the head of the function concerned, and Director of Corporate Compliance as persons entitled to receive complaints. Whistleblowers/ complainants can file their complaints through the following four channels:

- 1. Directly verbally or in writing to the person in charge of receiving complaints
- 2. Via electronic mail (e-mail), sent to the e-mail of the person in charge of receiving complaints or whistleblower@thaiairways.com
- 3. Letter, sent to the person in charge of receiving complaints at Thai Airways International Public Company Limited 89 Vibhavadi Rangsit Road, Chomphon Subdistrict, Chatuchak District, Bangkok 10900
- 4. The Company's website. (www.thaiairways.com), available in Thai and English

To ensure an efficient and effective investigation of facts, a complaint must contain the following details and evidence:

- 1. Name and address of the complainant
- 2. Name or position of the respondent
- 3. Misconduct circumstances causing the complaint along with an eyewitness who was aware of the incident evidence or referred evidence consistent with the complaint

If no name and address of the complainant are specified in No. 1, but there is clear information or sufficient evidence to investigate facts of the complaint, the Company will take up the matter according to regulations for further action.

The Department of Corporate Compliance is tasked with the responsibility for screening such information and complaints, including investigating relevant facts within a reasonable timeframe. The name of the complainant is not disclosed pre- and post-investigation. Any wrongdoing, substantiated from various evidence, will lead to disciplinary punishment, civil or criminal, as the case may be. Appropriate measures have been introduced to protect complainants and those who cooperate in reporting cases of corruption, if done so honestly. They will not be subject to disciplinary punishment and will be protected according to the Company's regulations, which serve as a reassurance and safeguard for the complainant. Such measures are as follows:

- 1. The person responsible at each step must keep the information they learn confidential and disclose it only as necessary. This includes considering the safety and potential harm to the complainant, the source of information, and related persons. If any employee violates this policy, it will be considered a disciplinary violation.
- 2. In situations where the complainant perceives danger or potential harm, he or she has the right to request that the Company implement protective measures on a temporary basis. However, the decision to proceed with such measures rests with the Chief Executive Officer and may or may not be granted.
- 3. Anyone who engages in bullying, intimidation, unfair disciplinary actions or discriminates against the complainant or individuals involved, as outlined in these regulations, is considered to have committed a disciplinary violation and must be responsible for any damages caused to the Company or those affected by their actions. Additionally, they may be held liable in civil and criminal matters according to the law.

The Company recognizes the importance of all stakeholder groups, actively seeking their opinions and suggestions for mutual benefit. It is committed to conducting business with transparency and will not tolerate any cases of corruption in all its forms. Therefore, all complaints received are strictly dealt with in accordance with Complaints and Whistleblowing regarding Corruption and Non-compliance with Laws, Rules and Organization Regulations, B.E. 2566 (2023)

In the past year, the risk of corruption remained low. The Company has utilized fact-checking results as guidelines to implement measures aimed at preventing corruption to enhance the efficiency and effectiveness of business operations. They also serve as a framework for planning internal audits, to achieving robust internal control.

6.2 Business Ethics

The Company is committed to developing, improving and ensuring business ethics. Therefore, it has collected and compiled various rules, procedures, and guidelines regarding business operations, as well as requirements that serve as standard criteria of conduct to be used as guidelines for the conduct of all personnel in the Company, including the Board of Directors, executives and all operators. Business ethics is considered to be a matter that all personnel should strictly adhere to and act accordingly by applying the principles of integrity, morality and ethics, sincerity and veracity to their work.



THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

6.3 Important Changes and Developments in Policies, Practices, and Corporate Governance over the Past Year

6.3.1 The Policy Management Committee Decided that Corporate Governance Training is Compulsory for all Executives and Employees.

The Human Resources Function, in collaboration with the Corporate Compliance Department, developed an e-Learning course on corporate governance. The course aligns with the Company's corporate governance manual, which was issued on May 24, 2022. The goals are promoting best practices, establishing the organization as a leader in good governance, instilling confidence in shareholders and all stakeholders, as well as enhancing its overall reputation. The training course was conducted from February to December 2023, with a total of 8,500 participants out of 10,652 employees (87.86 percent). The Corporate Compliance Department will work closely with relevant departments to ensure that all employees attend the corporate governance training course by 2024.

6.3.2 Developing Public Relations Materials to Enhance Employees' Awareness and Understanding of Corporate Governance

Every two weeks, the Corporate Compliance Department issues public relations materials regarding regulatory compliance and anti-corruption for distribution through all communication channels of the Company, including the website www.thaiairways.com, Intranet network system: THAISphere, Facebook TG Family, and e-mail. These are examples of the public relations materials:







Quizzes with prizes are organized to raise awareness of the said public relations materials. See the following examples:





There were a large number of employees interested in participating in the activity.

6.3.4 Review and Revision of the Table of Authority (TOA)

To align with the new organizational structure, all functional/departmental executives holding the position of Working Group Chief and above, are required to prepare a Table of Authority (TOA), which must specifying their respective authority according to the Company's regulations and authority to implement various resolutions and orders of the Company. The TOA must be uploaded to the Company's intranet network system (THAISphere), to be used as an accurate and complete reference for the approval authority and scope of work of each function/department, according to the principle of compliance governance. The TOA is reviewed and updated quarterly.

6.3.5 Review, Revise and Confirm the Use of the Company's Rules and Regulations

The Company's work rules and regulations, policies, orders/announcements, manuals and procedures are reviewed, revised and confirmed, ensuring their accuracy, completeness, clarity and relevance, including setting up a compliance mechanism ensure strict implementation.

6.3.6 The Company Recognizes the Importance of Compliance

Business operations are carried out in strict accordance with the law, internal and external rules and regulations, regulations. A Compliance Agent from every function/department is designated to overseeing, following up, collecting, disseminating, reviewing regulatory information, ensuring that it is updated and complete, as well as maintaining a registry of license for domestic and international transactions related to the Company's business operations. In addition, instances of non-compliance must be documented and recorded together with corrective actions and improvements, supervisory role with an oversight responsibilities similar to the role of Audit Committee, which is crucial for the Company's reliability and trustworthiness in the eye of shareholders and stakeholders.

6.3.7 Personal Data Protection

Since the Personal Data Protection Act, B.E. 2562 (2019) or PDPA entered into force on June 1, 2022, the Company has effectively managed personal data to ensure that personal data of passengers, employees, and related persons of the Company is secure and protected in accordance with the PDPA and the European Union's personal data protection law.







Corporate Governance

In 2023, the Company implemented personal data protection measures as follows:

- 1. Oversee and monitor compliance with personal data protection laws and relevant orders or announcements.
- 2. Assess risks in all departments involved in collecting, using, or disclosing personal data and set priorities of operations.
- 3. Establish an operational plan and oversee the implementation of procedures related to the collection, use, or disclosure of personal data, ensuring that data protection practices in every department align with the Company's policies and measures regarding personal data protection.
- 4. Oversee, inspect, and monitor security measures to maintain an appropriate level of protection based on risk assessment, ensuring prevention of confidentiality breaches, as well as the integrity and accessibility of personal data.
- 5. Create a centralized system for managing consent from personal data owners, to efficiently respond to requests related to the rights of personal data owners.
- 6. Raise awareness among employees and the Company's contractors, ensuring that everyone understands and complies with the legal requirements.



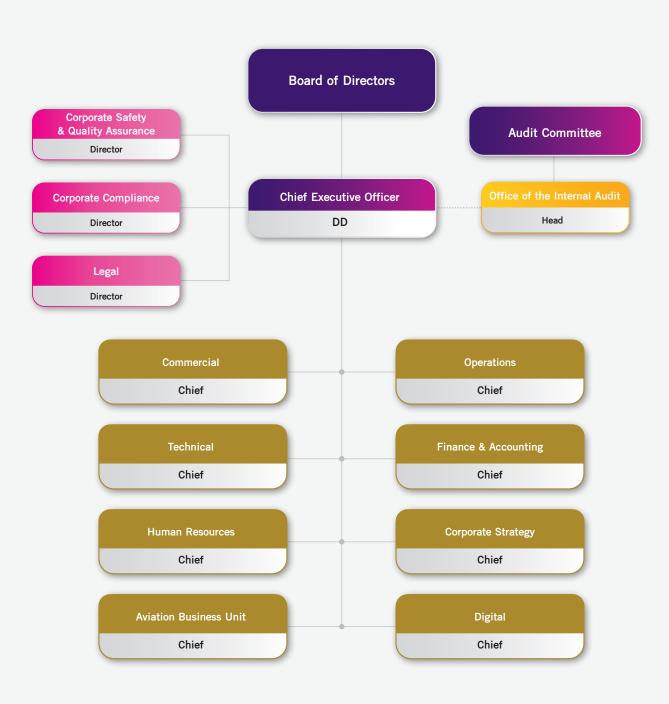


The Company received the Compliance Award under the 'Government Platform Development Project for PDPA Compliance (GPPC). The Company, one of the 200 participating entities, took part in the GPPC organized by the Office of the National Digital Economy and Society Commission. The project aimed at enhancing knowledge and understanding of personal data protection and the use of government platforms. The Company met the project's criteria and was recognized for implementing personal data protection laws with the Compliance Award. Dr. Sitdhinai Chantranon, the Company's Data Protection Officer (DPO), received the award on December 15, 2023, at Centra by Centara Hotel, Chaengwattana.

7. Management Structure

7.1 Governance Structure

As of December 31, 2023, the Company's management structure consists of the company's Board of Directors, sub-committees, and administrative staff, as per the following management structure:



Statement

Report on shareholdings of the Plan Administrators, their spouses and Underaged children, as of December 31, 2023

	Number of commo			
The Plan Administrator	As of January 1, 2023 or the date of assuming office	As of December 31, 2023	Increase/Decrease during the year	
- Mr. Piyasvasti Amranand	-	-	-	
Assumed office on June 15, 2021 - present - Spouse/Underaged Children	-	-	-	
- Mr. Chansin Treenuchagron	-	-	-	
Assumed office on June 15, 2021 - present - Spouse/Underaged Children	-	-	-	
- Mr. Pornchai Thiraveja	-	-	-	
Assumed office on June 15, 2021 - present - Spouse/Underaged Children	-	-	-	

Report on shareholdings of the Board of Directors, their spouses, and Underaged children, as of December 31, 2023

The Plan Administrator	Number of Common Shares (shares)		
	As of January 1, 2023 or the date of assuming office	As of December 31, 2023	Increase/Decrease during the year
 Air Chief Marshal Amnart Jeeramaneemai Assumed office on April 26, 2021 - present Spouse/Underaged Children 	-	-	-

Note

The Company's Board of Directors in 2023 consisted of

- 1. Mr. Piyasvasti Amranand
- 2. Mr. Chansin Treenuchagron
- 3. Air Chief Marshal Amnart Jeeramaneemai

Duties and Responsibilities of the Board of Directors

The Board of Directors has duties and responsibilities in determining the direction of the Company's business operations, in accordance with the principles of corporate governance, by setting policies, strategic plans, goals, vision and missions. It plays a key role in the Company's governance structure in monitoring and following up on the work of the management team, ensuring that it is in accordance with the set policies and strategic plans. It appoints specific committees responsible for specific matters assigned to them and appoints the Company's Auditor and Secretary. It is also responsible for conducting meetings and ensuring compliance with relevant laws, in particular the Public Limited Companies Act. The Company's Directors must perform their duties with knowledge, competency, honesty, integrity, and transparency for the Company's best interest.

7.2 Information on the Board of Directors

As of December 31, 2023, the Company's Board of Directors consists of three Directors as follows:

- 1. Mr. Piyasvasti Amranand
- 2. Mr. Chansin Treenuchagron
- 3. Air Chief Marshal Amnart Jeeramaneemai

The Company filed a petition for business rehabilitation with the Central Bankruptcy Court on May 26, 2020. On September 14, 2020, the Central Bankruptcy Court ordered the rehabilitation of Thai Airways and appointed EY Corporate Advisory Services Company Limited together with Air Chief Marshal Chaiyapruk Didyasarin, Mr. Chakkrit Parapuntakul, Mr. Pirapan Salirathavibhaga, Mr. Boontak Wangcharoen, Mr. Piyasvasti Amranand and Mr. Chansin Treenuchagron as drafters of the business rehabilitation plan, with the powers and duties according to the Bankruptcy Act, B.E. 2483 (1940), Section 90/25, in managing the business and assets of the debtor, excluding the right to receive dividends.

On June 15, 2021, the Central Bankruptcy Court issued an order approving the rehabilitation plan of Thai Airways International Public Company Limited, in accordance with Section 90/59 of the Bankruptcy Act B.E. 2483 (1940) "when the court approves of the plan, it shall notify the plan administrator and plan drafter of the order without delay. All rights and powers of the plan drafter shall vest in the plan administrator from the moment the plan administrator receives the court order." Details of meeting attendance and term of office in 2023 are as follows:

The Plan Administrator		Attendance	nistrator Meeting / Number of	Term of Office	
		Ordinary Extraordinary			
1. Mr. Piyasvasti Amranand	The Plan Administrator	36/36	6/6	Jun 15, 2021 - Present	
2. Mr. Chansin Treenuchagron	The Plan Administrator	36/36	6/6	Jun 15, 2021 - Present	
3. Mr. Pornchai Thiraveja	The Plan Administrator	33/36	6/6	Jun 15, 2021 - Present	

Information as of December 31, 2023

7.3 Information on Subcommittees

7.3.1 The Company's Subcommittee Structure

In 2023, the Company did not appoint any subcommittees. As for the oversight of the work of the Internal Audit Office, the Plan Administrators, in meeting No. 4/2021 on July 1, 2021, decided to assign Mr. Pornchai Thiraveja, Plan Administrator, supervisory role with an oversight responsibilities similar to the role of Audit Committee.

7.4 Information on the Chief Officers

7.4.1 Management Structure

As of December 31, 2023, the Company has 11 Chief Officers⁽¹⁾ as follows

Chief Officers ⁽¹⁾	Position
1. Mr. Chai Eamsiri	Chief Executive Officer
2. Mr. Cherdphan Chotikhun	Chief, Technical
3. Lieutenant Junior Grade Supoj Charoensuk	Chief, Operations
4. Mrs. Chuntarica Jotikasthira	Chief, Human Resources
5. Mrs. Varangkana Luerojvong	Chief, Aviation Business Unit
6. Mr. Korakot Chatasingha	Chief, Commercial
7. Mr. Taviroj Songkumpol	Chief, Corporate Strategy
8. Mrs. Cherdchome Therdsteerasukdi	Chief, Finance & Accounting
9. Mrs. Onanong Junhaman	Director, Financial Planning & Analysis
10. Mr. Tras Prommobol	Director, Comptroller
11. Mr. Rut Rugsumruad	Director, Corporate Finance

Business Operations and Performance

Note: (1) Chief Officers is "Chief Officers" according to the definition of the Office of the Securities and Exchange Commission (SEC)

Roles, Duties, Responsibilities and Approval Authority of the Company's Executive Management

To ensure effective management, the Company's Executive Management has the following duties and responsibilities:

- 1. Consider policies, strategic plans, business strategies and budgets and submit them to the Company's Board of Directors for approval.
- 2. Evaluate the Company's performance and business strategies to develop competitive operations.
- 3. Consider organizational development, management systems, and other developments.
- 4. Follow up on policy implementation.
- 5. Consider major investment projects, as determined by the Company's Board of Directors, and submit them to the Company's Board of Directors for approval.
- 6. Consider other matters according to the rules, regulations, resolutions or orders of the Company's Board of Directors, requiring its approval or as deemed appropriate by the Chairman of the Board or the Chief Executive Officer deems.
- 7. Authorized to approve financial matters and procurement of supplies according to Company's regulations.

Duties and Responsibilities of the Chief Executive Officer

The Chief Executive Officer is primarily responsible for the overall management of the Company, ensuring that the Company's objectives and policies or the decisions of the Board of Directors' meeting are achieved or implemented, as well as directing the Company's management and all employees, within the scope of authority specified in the Company's regulations or as determined by the Company's Board of Directors.

Report on Shareholdings of the Chief Officers, their Spouses and Underaged Children, as of December 31, 2023

	Number of Commo	Number of Common Shares (shares)			
Chief Officers	As of January 1, 2023 or the date of assuming office	As of December 31, 2023	Increase/Decrease during the year		
Mr. Chai EamsiriAssumed office on Feb 1, 2023Spouse/Underaged Children	500	500	-		
Mr. Cherdphan ChotikhunAssumed office on Jan 22, 2020Spouse/Underaged Children	-	-	-		
 Lieutenant Junior Grade Supoj Charoensuk Assumed office on Oct 1, 2021 Spouse/Underaged Children 	1,500 900/-	1,500 900/-	-		
Mrs. Chuntarica JotikasthiraAssumed office on Oct 1, 2021Spouse/Underaged Children	13,000	13,000	-		
Mrs. Varangkana LuerojvongAssumed office on May 1, 2021Spouse/Underaged Children	400	400	-		
Mr. Korakot ChatasinghaAssumed office on Nov 1, 2022Spouse/Underaged Children	400	400	-		
Mr. Taviroj SongkumpolAssumed office on Nov 10, 2022Spouse/Underaged Children	-	-	-		
Mrs. Cherdchome TherdsteerasukdiAssumed office on Feb 1, 2023Spouse/Underaged Children	1,800	1,800	-		
Mrs. Onanong JunhamanAssumed office on Dec 1, 2022Spouse/Underaged Children	600	600	-		

	Number of Commo		
Chief Officers	As of January 1, 2023 or the date of assuming office	As of December 31, 2023	Increase/Decrease during the year
Mr. Tras PrommobolAssumed office on Jan 1, 2023Spouse/Underaged Children	200	200	-
- Mr. Rut Rugsumruad Assumed office on Aug 17, 2023	-	-	-

Duties and Responsibilities of the Company Secretary

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

The Board of Directors recognizes the importance of the duties and responsibilities of the Company Secretary and has complied with the Securities and Exchange Act (No. 4) B.E. 2551 (2008), Section 89/15, which requires the Board of Directors to appoint a Company Secretary to be responsible for acting on behalf of the Company. The Rehabilitation Plan Administrators, at its meeting No. 2/2020 on September 23, 2020, decided to appoint Mrs. Chillada Na Chiangmai, Acting Executive Vice President, Office of the Company Secretary, as Company Secretary, effective from October 2, 2020.

Because of the Company's organizational restructuring, the Rehabilitation Plan Administrators, at its meeting No. 12/2021 on March 24, 2021, approved the appointment of screened for the new organizational structure, including the appointment of Mrs. Chillada Na Chiangm as Director of Corporate Compliance, a unit that reports directly to the Chief Executive Officer, effective from May 1, 2021, while still performing the duties of the Company Secretary.

The Company Secretary must carry out his/her duties responsibly, cautiously and honestly, as well as complying with the law, the Company's objectives and regulations, decisions of the Board of Directors and decisions of the shareholders' meeting. The duties of the Company Secretary as specified in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008) are as follows:

1. Prepare and maintain the following documents:

- 1.1 A register of directors
- 1.2 All notices calling a meeting, meeting documents and minutes of the Board of Directors' meetings.
- 1.3 All notices calling a meeting, meeting documents and minutes of the shareholders' meetings within a legally required timeframe.
- 1.4 An annual report of the company
- 2. Maintain reports on interest filed by directors or executives and submit a copy of the reports to the Board of Directors and the Chairman of the Audit Committee within seven days from the date on which the Company has received such report.
- 3. Perform any other tasks as specified in the notification of the Capital Market Supervisory Board 2023. The additional tasks of the Company Secretary are as follows:
 - 1. Ensure that the organization of meetings of the management and the Board of Directors is in accordance with the regulations of the Company, within the relevant regulatory timeframes as well as notifying relevant decisions, if necessary, and following up on the implementation of meeting decisions.
 - 2. Ensure that the Company and its Directors comply with laws, rules and regulations relevant to the Company's business and listed companies, including laws related to securities and principles of corporate governance, excluding matters related to financial reports.

- 3. Ensure that the Company's operations are guided by the principles of corporate governance and regulatory codes of conduct such as the Ministry of Finance and Office of the Securities and Exchange Commission.
- 4. Ensure that the preparation and disclosure of the Company's important information, both Thai and English, are made available to the public through the Stock Exchange of Thailand's system, in compliance with regulatory criteria and timeframes.
- 5. Oversee the provision of advisory and facilitation services to the shareholders relating to the Company's securities registration.
- 6. Ensure that the preparation of the annual information disclosure form/annual report (Form 56-1 One Report) for shareholders, investors, and analysts is accurately conducted in accordance with relevant rules, regulations, and principles of corporate governance, and within specified timeframes.
- 7. Coordinate with legal advisors regarding securities laws.
- 8. Provide fundamental advice to the Company's Directors and Executives, ensuring compliance with the requirements, criteria, regulations of the Stock Exchange of Thailand, and the Securities and Exchange Commission (SEC).
- 9. Oversee the administration of logistics support for the Board of Directors, including implementing and coordinating various benefits for the Board of Directors, preparing budgets for various operations related to the Company's directors, and informing and coordinating with the company's directors in case of ceremonies and various activities requiring their participation.
- 10. Oversee the general administration of the Office of the Chairman of the Rehabilitation Plan Administrators and Office of the Chief Executive Officer, such as secretarial work, administrative work, asset management and annual budgets.
- 11. "Oversee and evaluate the performance of the functional units, including the Company's various legal operations, organizational audits,

- administration of the Personal Data Protection Office, corporate governance, and compliance. This is to ensure that the respective mission implementations achieve the Company's objectives and goals, while complying with the regulations and criteria of the Company and those set by relevant authorities.
- 12. Prepare a director's manual, provide orientation and offer advice to newly appointed directors.
- 13. Oversee and monitor the appointment of the Company's nominated directors in affiliated companies.
- 14. Perform other duties as assigned by the Company's Board of Directors or Chief Executive Officer, as appropriate. In this regard, the profile of the Company Secretary can be viewed in Attachment 2.

7.4.2 Monetary Remuneration Policy for Directors and Chief Officers

The remuneration for the Company's Directors has remained the same since 2020, in accordance with the resolution of the 2020 Annual General Meeting of Shareholders on July 31, 2020, which determined the remuneration for the Company's Directors, specifically regarding monetary compensation, as follows:

- A Director of the Company will receive a monthly compensation of THB 50,000, in addition to a meeting fee of THB 30,000 per meeting.
- If a Director of the Company is appointed by law, a Cabinet Resolution or the Company's Board of Directors to serve in a Subcommittee / Working Group of the Company, the said Director will receive an additional THB 10,000 meeting fee per meeting.
- 3. The Audit Committee will receive monthly compensation equal to the meeting fee of the Company's Director. The Chairman of the Audit Committee will receive compensation 25 percent higher than that of the Audit Committee members. In any month where there are no meetings, the Audit Committee will receive compensation as well.

- 4. Such rates of compensation and meeting fee are as approved by the shareholders' meeting at the 2019 Annual General Meeting of Shareholders.
- 5. The Board of Directors understands the challenges the Company is facing and hopes to see it overcome various crises. Therefore, it had voluntarily reduced the compensation by 50 percent since March 2020. When the Company filed a request for business rehabilitation, the Board of Directors mutually agreed not to receive monthly compensation effective from June 2020.

7.4.3 Total Remuneration of Directors and Chief Officers

7.4.3.1 Monetary Compensation

Table showing remuneration of the Board of Directors, The Plan Administrators, Audit Committee and Chief Officers in 2023 ending December 31, 2023

	Number (Person)	Compensation (THB)	Meeting Fee (THB)	Annual Bonus (THB)	Total (THB)
Board of Directors	3	-	-	-	-
The Plan Administrators	3	14,400,000	-	-	14,400,000
Audit Committee	-	-	-	-	-
Chief Officers (1)	11	27,887,212	-	-	27,887,212

Note: (1) There are 11 Chief Officers as of December 31, 2023.

Table showing remuneration of the Company's Rehabilitation Plan Administrators in 2023 ending December 31, 2023

Name	Total Compensation ⁽¹⁾ (THB)
1. Mr. Piyasvasti Amranand	4,800,000
2. Mr. Chansin Treenuchagron	4,800,000
3. Mr. Pornchai Thiraveja	4,800,000

Note

7.4.3.2 Other Types of Compensation

· Airline Ticket Benefits

Board of Directors

The Company discontinued providing airline ticket benefits for the Board of Directors as of June 20, 2014, and has not proposed reinstating such benefits at any subsequent Annual General Meeting of Shareholders.

⁽¹⁾ The Plan Administrators receive compensation according to the Company's Business Rehabilitation Plan as approved by the Central Bankruptcy Court on June 15, 2021 and October 20, 2022, Article 10.5 Remuneration of the Plan Administrators: a Plan Administrator will receive total compensation not exceeding THB 5 million/person per year.

Chief Officers and Employees

Chief Officers and employees of the Company, including spouses, children, and parents will receive airline ticket benefits, including reservable and non-reservable seats, in accordance with the Company's regulations concerning employee welfare and benefits, as of April 25, 2023.

The Company has canceled the non-reservable seat ticket benefits (R2 100%) for eligible former employees, in accordance with the Company's Announcement No. 006/2021 regarding the use of airline tickets and air parcel delivery by former employees, as of February 24, 2021.

The Company has canceled the seat upgrade benefits for former and current employees (except for work trips), in accordance with the Company's Announcement No. 006/2021 regarding the use of airline tickets and air parcel delivery by former employees, as of February 24, 2021 and the Company's Announcement No. 011/2021 regarding new airline ticket benefits of current employees, as of March 5, 2021.

The Company has provided companion ticket benefits for current employees who do not have a spouse (single, widowed or divorced), in accordance with the Company's Announcement No. 016/2023 regarding companion ticket benefits for employees, as of July 27, 2023.

• Provident Fund

The Company registered the creation of a provident fund on June 26, 1992, under the supervision of the Provident Fund Committee. The Company pays contributions to the fund at the rate of 9 percent of the salary for employees with less than 20 years of service and at the rate of 10 percent of the salary for employees with more than 20 years of service, with employees contributing at the rate of 2-15 percent of the salary. The Company had

approved an additional transitional provision. From September 2021 to December 2022, the company paid contributions to the fund at the rate of 5 percent of the salary for employees with less than 20 years of service and at the rate of 6 percent of the salary for employees with more than 20 years of service. This transitional provision was not mandatory for employees. Therefore, they had the option to contribute to the fund at the original rates of 2-15 percent of their salary.

The Provident Fund Committee, at its extraordinary meeting No. 8/2022 on December 8, 2022, approved the resolution of the Human Resources Policy Management Committee No. 24/2022 on December 6, 2022, extending the period for contributing to the Fund at the rates of 5-6 percent for additional six months. The Company paid contributions to the fund at the rate of 5 percent of the salary for employees with less than 20 years of service and at the rate of 6 percent of the salary for employees who more than 20 years of service, from January 2023 to June 2023, with the renewal of the aforementioned transitional provision. Employees had the option to contribute to the fund at the original rates of 2-15 percent of their salary.

The Human Resources Policy Management Committee (EMM-HR), at its meeting No. 9/2023 on May 29, 2023, resolved to renew the transitional provision regarding the Company's contribution to the registered provident fund for employees of Thai Airways International Public Company Limited at the rates of 5-6 percent from July 2023 to the end of December 2024. At the extraordinary meeting of the Provident Fund Committee No. 2/2023 on June 9, 2023, the majority voted to approve the resolution. The Extraordinary General Meeting No. 1/2023 on June 19, 2023, resolved to acknowledge the renewal of the transitional provision with no objection as follows:

Transitional Provision

"The Fund Committee, at the extraordinary meeting No. 2/2023 on June 9, 2023, resolved to renew the above transitional provision by extending the time from the original deadline of June 2023 to be effective from July 2023 to December 2024. This decision aims to save costs for the Company undergoing rehabilitation according to the Bankruptcy Act B.E. 2483 (1940). The resolution aligns with the decision of the Human Resources Policy Management Committee No. 9/2023 on May 29, 2023, and the acknowledgment of the Extraordinary General Meeting No. 1/2023 on June 19, 2023, which resolved to acknowledge it with no objection."

• Social Security Fund and Compensation Fund

The Company registered to establish the Social Security Fund and Compensation Fund and was enrolled as an insured entity of the Social Security Fund on June 22, 2020. It commenced payments to the Social Security Fund in May 2020, fulfilling its obligations including contributions to the Compensation Fund for the year 2020, as mandated by law.

Social Security Fund is established to provide social security for income-earning employees, mitigating risks related to illness, childbirth, disability, death, child support, old age, and unemployment. This enables insured individuals to receive medical treatment and ongoing compensation. The Company makes contributions to the Fund for both the Company's portion and the insured person's portion at a rate of five percent of the salary, with the maximum contribution not exceeding THB 15,000 per month and the minimum contribution not less than THB 1,650 per month. Employees also contribute to

the Fund at a rate of five percent of their salary, with the same maximum and minimum contribution limits.

Compensation Fund is established to provide protection to employees who sustain injuries or illnesses, lose body parts, experience organ dysfunction, suffer permanent disability, death, or disappearance while working for the Company. As the employer, the Company has the unilateral duty to contribute to the compensation fund. This contribution is made annually at rates ranging from 0.2 to 1.0 percent, determined based on the type of business risk, assessed from the total annual wages paid to employees by the Company (not exceeding THB 240,000 per person per year).

• Employees' Pension Fund

The Company has established a pension fund for the employees of Thai Airways International Public Company Limited. It makes contributions to the fund at a rate of 10 percent of the salary. In the event that the money in the fund are insufficient to cover the obligations at the end of the accounting period, the Company will make additional contributions to meet the full amount of the obligations.

Employees who are members of the pension fund must have at least three years of service to be eligible to receive pensions based on their length of service, provided their employment is terminated neither due to wrongdoing nor termination by the employer. However, since the establishment of the Company's Provident Fund on June 26, 1992, employees hired after that date can only become members of the Provident Fund. As a result, the Employees' Pension Fund has not enrolled any new members since.

Provident Fund Contributions and Pensions to Chief Officers in 2023, ending on December 31, 2023

	Provident Fund Contributions		Pei	nsions
	Number (Person)	Amount (THB Million)	Number (Person)	Amount (THB Million)
Chief Officers (1)	11	1.285	1	0.219

Note:

⁽¹⁾ Only Chief Officers who are members of the Provident Fund and Pension Fund (data from January 1, 2023 to December 31, 2023)

7.5 Employee Data

As of December 31, 2023, the Company employs a total of 11,146 employees based in Bangkok and other locations in Thailand and abroad. Generally, the employment termination coincides with the employee's birth month upon reaching the age of 60. In this regard, the Company's personnel management guidelines adhere to the provisions outlined in both the Labor Protection Act, B.E. 2541 (1998), and the Labor Relations Act, B.E. 2518 (1975).

Table Showing the Number of Employees Categorized According to Work Location and Function as of the End of the Year Shown

	Num	Number of Employees (Person)			
	2023	2022	2021		
Total Employees	11,146	10,640	11,182		
Male employees	6,425	6,338	-		
Female employees	4,721	4,302	-		
Work Location					
• Bangkok	10,273	9,745	10,767		
Other locations in Thailand	362	403	407		
• Abroad	511	492	8		
Function					
• Air crew					
- Pilots	1,037	900	900		
- Flight attendants	3,421	2,837	2,983		
• Technical	1,679	1,734	1,878		
Commercial	724	704	504		
Ground Services	3,224	3,234	3,637		
• Others	1,061	1,231	1,280		

Employee Compensation Policy that is Aligned with the Company's Performance

The company's compensation scheme, encompassing salaries and other remunerations for executives and employees, is tailored to align with prevailing business competition conditions and to accurately reflect the company's present and future performance. This scheme undergoes regular review and revision to ensure its ongoing effectiveness. Furthermore, the company may intermittently award bonuses based on its performance. Additionally, it offers supplementary benefits beyond legal requirements, such as group health insurance, uniforms, and shuttle services. The compensation for pilots and flight attendants is also periodically reviewed to incentivize efficient performance in accordance with organizational expectations.

In 2023, the Company paid a one-time bonus to all employees equally, which did not incur a long-term obligation for the Company as it was not included in the employees' base salaries. The bonus was meant to boost the morale of and encourage employees in all sectors who have joined forces to enable the Company to achieve better results. The decision to award the bonus was evaluated based on the Company's favorable operating results at the close of 2023. It received approval from the Plan Administrators and was subsequently presented at the creditors' committee meeting for informational purposes.





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Table Showing the Monetary Compensation Paid to Employees for the Year or Period Shown, as of December 31, 2023

Unit:	THB	Mil	lion

Monetary Compensation Paid to Employees	2023	2022	2021
General employees	7,455	5,067	11,964
Pilots	2,597	1,829	1,341
Flight attendants	3,225	1,769	1,091
Total	13,277	8,665	14,396

Employee Development Policy

The Company consistently implements human resource development policies, with adjustments made to the conceptual framework and methodologies to ensure alignment with future business operations as outlined in the rehabilitation plan. Additionally, the promotion of knowledge development, upskilling, reskilling, and digital technology training remains an ongoing priority. The Company acknowledges the significance of functional competency, which entails the cultivation of specialized expertise through various trainings mandated by law, international standards, and regulations. This is especially crucial for roles requiring personal licensing, such as pilots, aircraft repair technicians, and ground staff. Moreover, the Company recognizes the importance of English

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language proficiency tailored to employees' specific functions, achieved through the implementation of a designated curriculum geared towards enhancing their English language skills for Specific Purposes (ESP).

Throughout 2023, special human resource development training courses were organized, supplementing the annual training schedule, to address the specific training needs identified by executives within various functions and departments. These courses covered topics on core and leadership competency, functional competency, and general compliance. In total, 25 courses conducted, comprising 39 classes. Approximately five additional courses are scheduled for the first guarter of 2024, with plans for more than 10 courses throughout the entirety of 2024.

Employee Development Expenses, as of December 31, 2023

Unit: THB Million

Employee Development Expenses	2023	2022	2021
General employees	19	14	28
Pilots	144	146	44
Flight attendants	5	2	1
Total	168	162	73



The Company's Labor Relations Guidelines

The company is committed to fostering good labor relations between employers and employees, ensuring management efficiency and in line with the spirit of the Labor Relations Act, B.E. 2518 (1975) and the Labor Protection Act, B.E. 2541 (1998). The Company adopts a bilateral format of joint consultation through the Welfare Committee of the Workplace. The Committee operates in accordance with legal requirements and convene at least once every three months. The Committee plays a vital role in coordinating with employers to enhance employee welfare, giving advice and suggestions and opinions to employers on welfare provisions. In addition, the Committee is tasked with inspecting, controlling, and overseeing welfare arrangements that employers provide to employees, as well as offer opinions and proposing guidelines to the Labor Welfare Committee for the betterment of employee welfare, in accordance with the law. Through joint discussions between employer representatives and the Welfare Committee in the workplace, all sides understand the employer's circumstances, exchange ideas and acknowledge the needs of employees. The employer lets the Welfare Committee to voice recommendations on improving employee welfare, thereby contributing to a happy workforce. Consequently, employees are more likely to perform their duties effectively and fulfill organizational goals. This process of mutual consultation, grounded in understanding, necessity, and appropriateness to the situation, while maintaining mutual respect, is instrumental in nurturing good labor relations. Such relations are crucial for steering the business towards long-term sustainability.

Labor Protection Guidelines

The Company prioritizes and is committed to the occupational health and safety and the working environment of its employees. Recognizing that the nature of work varies across different functions, there is a dedicated committee on occupational health and safety and the working environment for each location. This committee, comprising representatives from management and employees across various departments, is empowered to deliberate and establish guidelines and take actions in compliance with legal standards. It is also responsible for jointly inspecting and procuring equipment, tools, and devices to ensure safe operations and to prevent or mitigate workplace accidents. Furthermore, the Company has initiated a campaign to inform employees about the Company's guidelines and procedures regarding labor protection through the social security system and the compensation fund, instilling confidence and a sense of security in their work.

7.6 Other Important Information

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 Comptroller See Attachment 2

See Attachment 2 Corporate Secretary

• Head of Internal Audit See Attachment 2

· Head of Corporate Compliance See Attachment 2

· Head of Investor Relations and Contact Information

Contact Information

Mr. Rattham Sombooncharoen

Investor Relations

Address: 89 Thai Airways Headquarters, Vibhavadi Rangsit Road, Chatuchak District, Bangkok 10900

Business Hours: Monday - Friday from 8:00 a.m. - 5:00 p.m.

Closed: Saturday - Sunday and public holidays.

Phone: (662) 545-2424, (662) 545-4053

Email: irtg@thaiairways.com

· Auditor's Remuneration

Audit Fee

The Company and its subsidiaries paid audit fees to Deloitte Touche Tohmatsu Jaiyos Audit Company Limited, the Company's auditor, a total amount of THB 13,400,000 for the past fiscal year.

Non-Audit Fee

The Company and its subsidiaries paid non-audit fees, including fees for inspecting and certifying the income of the Company's business units to Deloitte Touche Tohmatsu Jaiyos Audit Company Limited the Company's auditor, a total amount of THB 1,155,000 for the past fiscal year. The Company did not pay for any other services to persons or businesses related to Deloitte Touche Tohmatsu Jaiyos Audit Company Limited in the past fiscal year or does not have any future payments arising from agreements the services for which have not been fulfilled during the past fiscal year.

8. Report on Corporate Governance Performance



The Company recognizes the importance of and is committed to corporate governance. It adheres to the rules and announcements according to Corporate Governance Code for Listed Companies 2017 of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Corporate governance performance in 2023 consists of the following:

8.1 Summary of the Performance of the Board of Directors

The Company's business operations are currently under the rehabilitation plan as approved by the Central Bankruptcy Court. The Plan Administrators have the rights and authority to manage the debtor's business and assets and all legal rights of the debtor's shareholders, except the right to receive dividends. Details are as follows:

The Central Bankruptcy Court ordered Thai Airways International Public Company Limited to rehabilitate its business and appointed the Plan Drafters on September 14, 2020, in accordance with Section 90/25 under Section 90/42 and Section 90/64 of the

Bankruptcy Act B.E. 2483 (1940). When Plan Drafters are appointed, they are vested with the powers and responsibilities to manage the debtor's business and assets and all legal rights of the debtor's shareholders, except the right to receive dividends. The provisions of Section 90/12 (9) of the Bankruptcy Act B.E. 2483 (1940) shall apply to the Plan Drafters mutatis mutandis. Subsequently, on May 19, 2021, the Official Receiver held an online meeting with creditors to consider the Company's business rehabilitation plan. The meeting resolved, in accordance with Section 90/46 of the Bankruptcy Act B.E. 2483 (1940), to accept the Plan. Creditors representing 91.56 percent of the total debt of the creditors who attended the meeting, approved the business rehabilitation plan and its revision.

On June 15, 2021, the court issued an order approving the rehabilitation plan and its revision according to the resolution of the creditors' meeting. The business rehabilitation plan designated Mr. Piyasvasti Amranand, Mr. Pornchai Teerawet, Mr. Kraisorn Baramee-auychai, Mr. Siri Jirapongphan and Mr. Chansin Treenuchagron as the Plan Administrators according to Section 90/59 under Section 90/42 and Section 90/64 of the Bankruptcy Act B.E. 2483 (1940). When the court approves the plan, it shall notify the order to the Plan Administrators and Plan Drafters without delay. All rights, powers, and responsibilities of the Plan Drafters shall be vested in the Plan Administrators from the moment when the Plan Administrators acknowledge the court order. The signatures of two Plan Administrators are required for any transactions or to bind the Company.

On July 1, 2022, the Plan administrators filed a request to amend the business rehabilitation plan with the Official Receiver. The Debtors' Business Rehabilitation Division, the Legal Execution Department and the Official Receiver held a meeting of the Company's creditors on September 1, 2022. At the creditors' meeting, in accordance with Section 90/46 of the Bankruptcy Act, B.E. 2483 (1940), creditors representing 78.59 percent of the total debt of the creditors who attended the meeting, voted to approve the proposal to amend the business rehabilitation plan as submitted by the Plan Administrators to the Official Receiver.

On October 20, 2022, the Central Bankruptcy Court approved the revised plan. On October 21, 2022, Mr. Kraisorn Baramee-auychai and Mr. Siri Jirapongphan resigned from the position of the Company's Plan Administrator. The remaining three Plan Administrators can continue to act as the Company's Plan Administrators in accordance with Section 90/65 (6) of the Bankruptcy Act B.E. 2483 (1940) and Article 10.6 (2) of the business rehabilitation plan.

During the past year, key performance can be summarized as follows:

- 8.1.1 Recruitment, Development and Performance Evaluation of Recruiting **Independent Directors and Determining** the Term of Office of Independent **Directors**
 - None

Composition of the Company's Board of Directors

According to the Company's regulations, the Board of Directors consists of at least five but not more than 15 directors with necessary competencies and knowledge (Skill Matrix) relevant for the mission and strategic plan of the Company, including finance, accounting, law, information technology, human resources, management and business administration, strategy, development planning, transportation and logistics, security, engineering, risk management, aviation business, communications, economics and marketing.

As of June 15, 2021, the Company's Board of Directors consists of four directors:

- 1. Mr. Piyasvasti Amranand
- 2. Mr. Chansin Treenuchagron
- 3. Mr. Peeraphan Saleerathaviphak
- 4. Air Chief Marshal Amnart Jeeramaneemai

In this regard, the Plan Administrators, at its meeting No. 13/2021 on September 2, 2021, considered the agenda on guidelines for appointing the Company's directors in accordance with the Public Limited Companies Act, B.E. 2535 (1992), which must comply with the provisions under the Bankruptcy Act, B.E. 2483 (1940). The meeting resolved to ensure that the number of directors of the Company is in accordance with the Public Limited Companies Act, B.E. 2535 (1992), which must comply with the provisions under the Bankruptcy Act, B.E. 2483 (1940). The meeting was of the view that the Company's directors have complied with the Public Limited Companies Act, B.E. 2535 (1940), Section 83, by informing the Company to hold the shareholders' meeting to appoint directors. The Plan Administrators have the authority to change the Company's directors if there is a change in shareholders according to Article 5.6 (5) of the business rehabilitation plan as approved by the Central Bankruptcy Court on June 15, 2021. Therefore, at this point, the Plan Administrators resolved not to exercise the rights of shareholders to appoint the Company's directors, because it neither impact the business rehabilitation nor the implementation of the business rehabilitation plan. The meeting noted

that the existing four directors of the Company could remain in the position until new directors have been appointed, in accordance with Section 71 of the Public Limited Companies Act B.E. 2535 (1992).

As of December 31, 2023, the Company's Board of Directors consists of three directors:

- 1. Mr. Piyasvasti Amranand
- 2. Mr. Chansin Treenuchagron
- 3. Air Chief Marshal Amnart Jeeramaneemai

Mr. Peeraphan Saleerathaviphak resigned from the position as director of the Company, effective on August 3, 2022.

Recruitment of the Company's Directors

None - Because the Company is in the process of business rehabilitation. Management of the business and assets of Thai Airways, including its subsidiaries and associated companies, shall be in accordance with the guidelines specified in the rehabilitation plan and in accordance with the powers, duties and responsibilities specified in the Bankruptcy Act and other laws.

Recruitment of Chief Officers

The recruitment process for the Chief Executive Officer (CEO) and the Chief Financial and Accounting Officer (CFO) commenced at the end of 2022, with their anticipated assumption of office in February 2023. In 2023, the Company filled two key positions: the Chief Operating Officer (COO), filled through internal recruitment, and the Director of Corporate Finance, which underwent both internal and external recruitment processes.

The recruitment procedures were conducted with meticulous attention to detail and comprehensiveness. The process commenced with a thorough delineation of general qualifications and specific prerequisites for eligible applicants, initial qualification screenings, and the establishment of selection criteria tailored to the nuances of business rehabilitation and the challenges associated with transitioning to full private ownership. All qualified applicants underwent a leadership competency assessment

utilizing a standardized psychometric test, followed by the presentation of their vision to the Selection Committee. To maintain consistency and fairness throughout the assessment process, standardized performance evaluation methods were instituted.

Performance Evaluation

To drive excellence in employee performance at all levels and align employee results with the Company's overall performance, performance indicators were introduced. These indicators focus on the successful execution of the business rehabilitation plan approved by the creditors' meeting and the Central Bankruptcy Court, as well as the implementation of the business reform plan. There are three categories of indicators:

- 1. Corporate KPIs
- 2. Functional KPIs
- 3. Competency KPIs, which consists of Core Competency and Leadership Competency

The Company uses the five level/Likert Rating Scale for evaluating the performance of employees at all job levels. A "score of 3" is given to employees whose performance meets the standards, goals and the specified timeframe.

8.1.2 Supervision of Subsidiaries, Associated Companies, and Related Companies

To oversee the operations of subsidiaries, associated companies, and related companies, the Company appoints qualified representatives to serve as nominated directors or perform secondary functions at the subsidiaries, associated companies, and related companies of Thai Airways International Public Company Limited, based on the skill matrix for directors of subsidiaries and associated companies.

Representative directors undergo the Director Accreditation Program (DAP) training offered by the Thai Institute of Directors (IOD). This training equips them to fulfill their responsibilities in safeguarding the Company's interests and coordination with the subsidiaries, associated companies, and related companies. The

representative directors may come from the Company's Board of Directors, the management team, or outsiders with relevant business expertise. Their appointments are approved the Company's management and either the Executive Committee or the Board of Directors of the respective subsidiaries, associated companies or related companies.

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The Company has developed a comprehensive manual outlining the responsibilities of company representatives for them to adhere to standardized criteria and guidelines, ensuring alignment with corporate governance policies. When dealing with critical policies, company representatives are required to seek guidance from the Company before presenting their opinions during meetings of the Company's subsidiaries, associated companies, and related companies. Additionally, company representatives must provide periodical reports to the management and the Board of Directors. Furthermore, the Company has established a rigorous process for evaluating and approving investments of its subsidiaries and associated companies. This involves analysis of investment project details, feasibility studies, and returns on investment. Success indicators are also set to evaluate these investment projects.

Furthermore, the Company conducts thorough analysis, ongoing monitoring, and regular reporting on the performance of its subsidiaries, associated companies, and related companies, on a quarterly and annual basis. These assessments provide essential information to guide management decisions regarding investment oversight in the Company's subsidiaries, associated companies, and related companies. The level of control and supervision of the Company's subsidiaries, associated companies or related companies depends on the nature, type, and investment objectives of the Company. If the Company's investment in a business is based on strategic reasons or if it holds more than 50 percent of the shares with voting rights or it is a business that supports the Company's aviation business, the level of control and supervision will be more intense, thorough, prudent, and more cautious than a business in which the Company invested in for investment reasons. This is because of direct impact on the Company's operations, image, and financial returns. There are five levels of control as follows:

which can be divided into five levels of control as follows:

- 1. Directive
- 2. Guidance
- 3. Cooperative
- 4. Reporting
- 5. Inform



8.2 Report of the supervisory role with an oversight responsibilities similar to the role of Audit Committee's Performance.

8.2.1 Number of Meetings and Attendance

In 2023, a total of 11 meetings of supervisory role with an oversight responsibilities similar to the role of Audit Committee were conducted.

8.2.2 Performance of Compliance Officers under the Audit Committee

The summary of the performance of supervisory role with an oversight responsibilities similar to the role of Audit Committeecan be found in Attachment 5.



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9. Internal Control and Related Party Transactions



9.1 Internal Control

The company believes that internal control contributes to the efficiency and effectiveness of operations. It is an important factor that enables the company to achieve its business objectives and to cope with risks from changing circumstances. The company seeks to continuously improve the internal control system by adapting the Committee of Sponsoring Organizations of the Treadway Commission (COSO)'s internationally recognized internal control framework to achieve the objectives of internal control in all three areas: operations, reporting, and compliance, which are the duties and responsibilities of every personnel in the organization. It encompasses Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. The performance regarding internal control can be summarized as follows:

1. Control Environment

The Company's control environment and internal controls are conducive to promoting corporate governance and business operations. The executives

cultivate a conscience of responsibility in all personnel in the organization, as well as organizational culture that promotes transparency, cooperation and honesty (Integrity for Trust), which is part of the Company's values "AIM". In addition, they also lead by example (the Role Model) and put in place management systems for performing daily duties, promoting good conduct in decision making and treating different groups of stakeholders, such as suppliers and cooperation partners, customers, and outsiders.

1.1 The organization demonstrates a commitment to integrity and ethical values.

The company has set ethical standards and a code of conduct for conducting business in the "Good Corporate Governance" for employees to adhere to, along with strict compliance with relevant laws, rules, regulations and other orders. The company has also issued a code of conduct for internal auditors, a code of ethics for pilots and cabin crew, as well as measures to prevent conflicts of interest, a policy on gifts, gratuities, entertainment, hospitality, or other benefits. They are communicated to employees and publicized on the company's internal website, in the annual information statement under the topic of corporate governance, and on the company's website www. thaiairways.com, to which all stakeholders can access. There is an appropriate internal control process that can prevent violations/corruption in a timely manner, with corresponding penalties according to the company's work regulations.

1.2 The Committee is Independent from the Management and is Responsible for Internal Control Oversight and Operations Development.

The Company has implemented the business rehabilitation plan, approved by the court on October 20, 2022. The Company's Rehabilitation Plan Administrators, appointed by the Central Bankruptcy Court, are charged with ensuring that operations are in accordance with the business rehabilitation plan and business reform plan. The plan Administrators also support the implementation of adequate and appropriate internal controls, to achieve the objectives and comply with relevant laws and related requirements. The Corporate Strategy Division is tasked with the preparation of indicators at the corporate level (Corporate KPIs) and functional level (Functional KPIs) to set clear business goals and measurable results, including oversight of the company's subsidiaries, associated and related companies. There is a process to regularly monitor the progress of performance to achieve the objective, ensuring that the company has enough cash to pay off debts and be able to continue operating efficiently and sustainably.

1.3 Management establishes, with board oversight, structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.

The Company has improved the operating structure of certain functions to better suit its business operations. The command hierarchy has been reduced. The powers, duties, and responsibilities of the executives are specified. The duplication of work processes has been reduced and results of the implementation are continuously monitored, ensuring that operations are more flexible, practical, and

appropriate, as well as keeping up with today's business conditions. Duties and responsibilities are clearly defined in writing according to the function description, reporting lines and Table of Authority (TOA), in order to create checks and balances. There is a clear separation of core functions between aviation business operations and business units, in accordance with relevant legal requirements, ensuring that the organization achieves its objectives, under the supervision of the Rehabilitation Plan Administrators.

In 2023, the Rehabilitation Plan Administrators and the company's management considered restructuring the aviation business (THAI Smile Airways), with the primary objective of increasing the efficiency of fleet management to be able to compete in the aviation industry. The plan was approved by the committee of creditors.

1.4 The Organization Demonstrates its Commitment to Motivation, Develop and Retain Personnel with Knowledge and Competency.

The company sets recruitment criteria, methods and qualifications to attract personnel with desirable knowledge, capabilities, and competencies, which consist of core competency and functional competency. Candidates undergo a leadership competency assessment using psychometric test tools and an individual competency assessment, the results of which are used to select highly competent personnel for work functions that require specialized personnel to fulfill specific duties and responsibilities and job position requirements. There is a process method for annual performance assessment and evaluation. The company develops and retains personnel by giving employees the opportunity to attend various training courses organized by the company in order to further develop their competency. Human resource policies and practices are reviewed to align with the current situation. There is a succession plan and a potential pool list to select competent personnel with suitable capability for the position of director or higher. The Human Resources Committee (HRC) is tasked with a duty to implement human resources policy to achieve organizational objectives and goals, as well as providing welfare to employees such as health insurance, employee pick-up/drop-off service, including special one-time compensation for any employees, who cooperated with the company in the past, to boost their morale and offer encouragement.

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1.5 The organization holds individuals accountable for their internal control responsibilities in the pursuit of objectives.

The company requires executives and employees to undertake internal control duties and responsibilities. There are policies on internal controls, risk management, corporate governance and anti-corruption, which form a mandatory communication process that executives and employees use as guidelines for their work. Employees understand and recognize the importance of the internal control system. There is a systematic process for auditing financial and non-financial reports through a work process that has been properly laid out. Duties are distributed so that the same function or person does not undertake crucial duties or highrisk operations. There are checks and balances to counterbalance and prevent errors and noncompliance with rules and regulations. Key performance indicators (KPI) are set to convey the goals of each function to employees through their lines of reporting. Updated policies and guidelines are communicated to executives and employees through various electronic media, as well as joint discussions to improve work processes to align them with external changes and the Company's updated policies.

In 2023, the Company prioritized improving the standards of the internal control system by external experts, while the Company was implementing the business rehabilitation plan to achieve organizational objectives and goals.

2. Risk Assessment

The company's Policy Management Committee acts as the company's Risk Management Committee, which is responsible for closely overseeing risk management, ensuring that the organization's risk management operations are in line with the company's strategies and goals, providing recommendations for monitoring and evaluation to the company's board of directors to build confidence and enable the company to

achieve the set goals. There is a corporate risk management policy and risks in every work function are assessed. Corporate risks are managed systematically. Risk management is the responsibility of each work function to manage and control to an acceptable level.

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2.1 The Organization Sufficiently and Clearly Defines its Objectives, Enabling it to Identify and Assess Various Associated Risks to Achieve Organizational Objectives.

The company set its operational objectives by focusing on customer satisfaction for world-class services and Value creation in every aspect with a vision "a highquality full-service carrier with strong Thai brand connecting Thailand to the world and generating consistently healthy profit margin", with a mission that focuses on four areas:

- 1. Customer-Centric: Being the first-choice carrier for passengers by offering tailored-made products based on customers satisfaction
- 2. Commercial Excellence: Enhancing the commercial capability
- 3. Cost Competitiveness: Managing costs to be competitive
- 4. Continuous Improvement: Being an organization that continues to build on its success

The company has maintained international safety standards and adopted the organization's core values "AIM" to guide its personnel until it eventually becomes the culture of Thai Airways employees. It also complies with generally accepted accounting standards, and is suitable for the business. The company's financial report and financial statements are reviewed/audited by auditors, authorized by the Securities and Exchange Commission (SEC) to sign the audit report in accordance with the Securities and Exchange Act. Additionally, the financial statements are internally audited by supervisory role with an oversight responsibilities similar to the role of Audit Committee to ensure that they are accurate according to the financial reporting standards and accounting standards.

2.2 The organization identifies risks to the achievement of its objectives across the entity and analyzes risks as a basis for determining how the risks should be managed.

The company identifies and analyzes various risk factors, including external factors such as economic, social, political, regulatory changes, and natural disasters; and internal factors such as organizational structure, work process efficiency, and information technology management for service provision. Risks are identified and analyzed in all aspects, including strategic, operations, financial and non-financial reporting, and standards and regulations related to business operations. The company's various work functions manage their respective risks. Key risk indicators (KRIs) serve as a tool to help monitor and provide early warnings. Control measures are reviewed, and mitigation plans are prepared.

2.3 The organization considers the potential for fraud in assessing risks to the achievement of objectives.

The company's regulations concerning corruption complaints and whistleblowing and non-compliance with laws and organizational rules and regulations B.E. 2566 (2023), are in line with the Stock Exchange of Thailand's corporate governance guidelines on formulating policies and procedures for whistleblowing. There is an anti-corruption policy in place. Its implementation is followed up to ensure transparency, fairness, and professional integrity. Information is disseminated through the bulletin "CG Mindset: Transparency, Integrity and Fairness" to share knowledge on preventing and combating corruption. It is the duty of every employee to help monitor and prevent corruption in the company.

2.4 The organization identifies and assesses changes that could significantly impact the system of internal control.

The company takes into account various factors, internal and external, that affect business operations to assess and analyze changes in the economy, the aviation industry and legal requirements related to business operations, and the adoption of technology

in operations such as the Digital Service System, Microsoft 365, reprocess Initiative for better work process efficiency. PESTEL Analysis is used as a tool for analyzing and assessing corporate risks and formulating measures to accommodate changes and maintain risks to an acceptable level.

3. Control Activities

The Company has put in place efficient and effective control activities, taking into account the principles of good internal control. This helps reduce the risk of failing to achieve organizational objectives at an acceptable level. Written policies, regulations, manuals and operating procedures are prepared to promote activities that are transparent, verifiable, and fair, as well as approvals that prioritize the company's best interest.

3.1 The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

The company has control measures to help reduce the risk of failing to achieve organizational objectives. An operational plan was drafted to implement the business rehabilitation plan. Relevant policies, operations manuals, rules and regulations are reviewed and updated. Risk control measures are introduced by considering internal and external factors. There is an assessment of future situations that affect the achievement of objectives. There are a variety of appropriate internal controls, including manual and automated ones, depending on the nature and format of the work process. Regulations and operating procedures are reviewed and updated to reduce potential risks to an acceptable level.

3.2 The organization selects and develops general control activities over technology to support the achievement of objectives.

The company has an information technology infrastructure with information security policies and measures (Security Policy & Standards) based on ISO: 27001. Relevant company orders are issued for all work functions to adhere to. Access to information technology systems is managed through usernames, passwords and level of access. Technology system

procurement, development and maintenance are controlled, as specified in the project management Handbook (PMHB), which is a standard detailing the procurement of technology systems and a project management style with control activities at every step.

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The company has developed a technology system to help achieve organizational objectives, reduce costs, avoid duplication, and enhance operational efficiency: the Customer Relationship Management (CRM) system, SAP Vendor Invoice Management (VIM) system, Budget Preparation System, and Crew System for identity verification. A new intranet website was launched to support cloud data storage and to enhance the effectiveness of employees' work to be modern, convenient, fast, and reducing the use of paper. This is an appropriate use of technology and promotes more efficient intra-organizational communication of information.

3.3 The organization deploys control activities through policies that establish what is expected and in procedures that put policies into action.

The company organizes control activities by considering relevant laws, rules, regulations of external agencies or organizations, governmental or non-governmental, domestic or international, to formulate relevant policies, Regulations and operating manuals, in written and electronic formats, ensuring policy implementation. There is also a process for reviewing financial and non-financial reports appropriately. Policies are communicated from executives down to subordinates for implementation. Meetings are held to assign work. There are procedures to follow-up on implementation, oversee the operations of subsidiaries, associated companies, and related companies, as well as consider the context of the company's operations during the business rehabilitation, ensuring that they are effective and respond to investment strategies and objectives. The performance of the company's subsidiaries, associated companies and related companies is analyzed, monitored and reported quarterly and annually to provide information in support of the management's decision-making and to set directions and guidelines for investment oversight of the company's subsidiaries, associated companies, and related companies. This information is regularly

presented to senior executives and the rehabilitation plan administrators for their information and consideration.

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4. Information & Communication

The Company recognizes the importance of communication and the quality of information, which contribute to effective internal controls. It has appropriate communication channels with internal and external stakeholders. In addition, digital systems and technology have been introduced to support operations, as well as accurately processing and analyzing various data to reduce the work process, which is beneficial to business operations and achieving organizational objectives.

4.1 The organization obtains or generates and uses relevant, quality information to support the functioning of internal control.

The company manages information by specifying the classification levels of information. There is an effective data analysis system and data storage, ensuring that the selected data are effective, reliable, and sufficient for use in timely decision-making by executives. In addition, personal data are managed in accordance with the Personal Data Protection Act, B.E. 2562 (2019).

4.2 The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of internal control.

The company has a sufficient and effective information system and a process of internal communication. Inter and intra-departmental communication channels include meetings, documents, email, the Internet, the internet and various applications, which are channels for disseminating various information, including the company's orders and announcements, organizing Staff Meeting, Bulletins, and disseminating information through online media such as "TG Family Talk" via the Facebook Group, "TG Family" and MS Teams so that employees and executives can be regularly informed and have access to operational information, essential news and various benefits. Moreover, awareness about THAI Core Values : AIM is raised among Thai employees, ensuring that the company's operations are in accordance with the business rehabilitation plan.

4.3 The organization communicates with external parties about matters affecting the functioning of internal control.

The company provides various channels to communicate with external agencies and stakeholders on issues that affect business operations. An annual information report (Form 56-1 One Report) is published on the company's website and the website of the Securities and Exchange Commission (SEC). Information about the company's activities is disseminated via various media. The company's customer service can be reached through the call center 02-356-1111 and mobile application. In addition, channels are designated for filing complaints and communication with customers/suppliers, customer Airlines and various external organizations and agencies.

In addition, channels are also provided for outsiders and stakeholders to report information or leads on corruption within the company (Whistle Blower Policy), according to the company's regulations concerning complaints and whistleblowing regarding corruption and non-compliance with laws and organizational rules and regulations B.E. 2566 (2023). Complaints can be made directly, verbally or in writing, via email, letter or the company's website (www.thaiairways.com).

5. Monitoring Activities

The company has a process for monitoring and evaluating the adequacy of internal controls. It also sets guidelines for development and improvement to ensure that the company's internal control system remains efficient and effective. When the internal audit unit detects deficiencies in the internal control system, the deficiencies found will be reported to management in a timely manner. The follow-up process is in place to ensure that improvements are carried out effectively and completed as specified.

5.1 The organization selects, develops, and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning.

The company has a plan to improve and monitor operations and evaluate internal control performance appropriately. Executives at all levels acknowledge and are aware of their responsibility to following up on performance in accordance with the set plans and goals. There is a review and evaluation of the efficiency of the internal controls of various departments by internal auditors of the company's Office of Internal Audit, according to the annual inspection plan. Moreover, the Corporate Safety and Quality Assurance Department carries out inspections to ensure that flight operations comply with the requirements of the Civil Aviation Authority of Thailand (CAAT) and meet the safety standards of the International Air Transport Association. (IATA). The company has been inspected by the Civil Aviation Authority of Thailand (CAAT), IATA Operational Safety Audit (IOSA), and IATA Safety Audit for Ground Operation (ISAGO). In addition, it has been randomly inspected by the Civil Aviation Authority (CAA), Safety Assessment of Foreign Aircraft (SAFA) and civil aviation safety and security regulatory agencies of various countries around the world. The recommendations of the inspectors were given due weight by the executives for addressing the problems and making improvements.

5.2 The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.

The company assigns an executive to have a duty to evaluate and communicate internal control deficiencies. Additionally, the company's Office of Internal Audit audits and evaluates the effectiveness of the internal control process, risk management process, corporate governance process, as well as verifying the accuracy and reliability of the company's financial information, operations and compliance with relevant laws, rules and regulations and related information systems. It also inspects transactions with potential conflicts of interest and corruption. If gaps are found, corrective actions will be recommended. The implementation of such recommendations will be followed up, reported to the executive of the audited functional unit and relevant senior executives

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for their information and implementation. The Office of Internal Audit monitors the progress of implementation of the recommendations in the inspection report until they are fully implemented. It also prepares a summary of outstanding issues that have not yet been implemented, which is submitted to the Chief Executive Officer and the Audit Committee. In addition, if transactions or actions that may cause serious damage to the company's performance, e.g. conflicts of interest, corruption, significant irregularities or defects in the internal control system, and violations of rules and regulations, are found or suspected, the Head of the Office of Internal Audit will immediately report to the Chief Executive Officer and the Audit Committee.

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By evaluating the adequacy of the Company's internal control system, it can be concluded that the company regularly follows up on its performance, ensuring that the current system remains effective in the changing environment and that the organization achieves its objectives. Internal control consists of all five components and adequates for the Company's business operations, while undergoing business rehabilitation. All aspects of management will proceed according to the business rehabilitation plan approved by the court.

In this regard, at the meeting of the Rehabilitation Plan Administrators No. 5/2024 on February 8, 2024, the Rehabilitation Plan Administrators considered the assessment of the adequacy of the company's internal control system for the year 2023 as prepared by the management and the consideration of supervisory role with an oversight responsibilities similar to the role of Audit Committee. The meeting resolved to approve the adequacy of the company's internal control system in conducting the company's business operations while undergoing business rehabilitation.

Are There any Deficiencies in the Internal Control System? Have They Been Successfully Addressed? Why?

- None

The opinion of supervisory role with an oversight responsibilities similar to the role of Audit Committee, if it differs from that of the Rehabilitation Plan Administrators.

The Rehabilitation Plan Administrators have reviewed the assessment results regarding the adequacy of the internal control system. They concluded that the company's internal control system is sufficient for the business operations. Supervisory role with an oversight responsibilities similar to the role of Audit Committee concurs with this opinion.

Are There any Deficiencies in the Internal Control System? Have They Been Successfully Addressed? Why?

- None

The opinion of supervisory role with an oversight responsibilities similar to the role of Audit Committee ensures that the person holding the position of Head of the Office of the Internal Audit has a suitable educational background, experience, and training. Additionally, guidelines regarding the appointment, removal, and transfer of the Head of Office of the Internal Audit are in place.

Supervisory role with an oversight responsibilities similar to the role of Audit Committee approved the appointment of Mr. Watchai Toudtha as Head of the Office of Internal Audit Office on October 2, 2023, which is in accordance with the authority of the Audit Committee as specified in the Charter of the Audit Committee of Thai Airways International Public Company Limited. He was chosen for his knowledge, skills, and experience in internal audit, as well as having good knowledge of corporate governance principles, risk assessment and internal control. He is also a qualified Certified Internal Auditor (CIA) and has consistently attended training courses related to internal auditing operations. Therefore, he was deemed to be suitable for the position. Details about the Head of the Office of Internal Audit appear in Attachment 2.

9.2 Related Party Transactions

9.2.1 Related Party transactions that may have conflicts of interest

Significant related party transactions carried between the company and major shareholders and entities that may have conflicts of interest for the period ended December 31, 2023 are detailed as follow:

			٧	alue (Million TH	В)	
Name of Entities with Potential Conficts of Interest	Relationship	Type of Transaction	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
Ministry of Finance (MOF)	•MOF is the major shareholder of THAI with 47.86% shares.	International loans take through the MOF consist of: Outstanding loans under the rehabilitation plan Deferred interests	12,583.54 861.76	11,721.78 135.90	6,082.08 351.95	-The pricing, terms, interest rates, and commitment fees are on an arm's length basis and on commercial term as unrelated partiesAlso see Notes No. 1 and 2
		THAI leased the lands from the Treasury Department.	7.80	8.63	8.03	-The pricing is on an arm's length basis and on commercial terms as unrelated parties.
		3. THAI sold tickets to MOF. - Total revenue - Account receivable	1.43 0.00	0.00 0.00	0.00 0.00	-The pricing is on an arm's length basis and on commercial terms as unrelated parties.
Government Savings Bank (GSB)	•GSB is controlled by the MOF, a major shareholder of THAI.	1. THAI entered into a committed revolving credit line with GSB credit limit up to THB 3.5 billion, the credit line was used. Outstanding loans Interest expenses Accrued interests	3,500.00 119.22 119.22	3,500.00 119.22 119.22	3,500.00 212.96 212.96	-The pricing, terms, interest rates, and commitment fees are on an arm's length basis and on commercial term as unrelated parties. Note: -The interest rate for the year 2021-2023 were the effective interest rate according to the original contract.
		THAI sold tickets, rented out space, and other services to GSB. Total revenue	0.36	0.63	0.18	-The pricing is on an arm's length basis and on commercial terms as unrelated parties.
Export-Import Bank of Thailand (EXIM)	•EXIM is controlled by the MOF, a major shareholder of THAI.	THAI entered into a long-term loan agreement with EXIM: Outstanding loans Outstanding loans under the rehabilitation plan Deferred interests	- - -	- 605.90 37.45	- 568.48 19.44	-The pricing, terms, and interest rates are on an arm's length basis and on commercial term as unrelated partiesAlso see Notes No. 1 and 3
		THAI entered into a committed revolving credit line with EXIM credit limit up to THB 1.5 billion, the credit line was used. Outstanding loans under the rehabilitation plan	1,508.18	1,485.55	1,452.83	-The pricing, terms, interest rates, and commitment fees are on an arm's length basis and on commercial term as unrelated parties. -Also see Notes No. 1
		- Deferred interests	22.63	22.18	11.93	

Name of Fakking		Type of Transaction	V	alue (Million THI	3)	
Name of Entities with Potential Conficts of Interest	Relationship		For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
Islamic Bank of Thailand (IBANK)	• IBANK is controlled by the MOF, a major shareholder of THAI.	THAI entered into a long-term loan agreement with IBANK: Outstanding loans under the rehabilitation plan Deferred interests	1,579.31 139.89	1,273.73 78.36	1,195.37 54.06	-The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated partiesAlso see Notes No.1 and 3
Krung Thai Bank Public Company Limited (KTB)	• MOF controlled via the Bank of Thailand and Financial Institutions Development Fund, which is the major shareholder of KTB.	1. THAI entered into a committed revolving credit line with KTB credit limit up to THB 3.0 billion, the credit line was used. Outstanding loans Interest expenses Accrued interests	2,260.73 76.86 76.86	2,260.73 76.86 76.86	2,260.73 63.84 63.84	-The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. Note: -The interest rate for the year 2021-2023 were the effective interest rate according to the original contract.
		2. THAI entered into a committed revolving credit line with KTB credit limit up to THB 3.5 billion, the credit line was used. - Outstanding loans - Interest expenses - Accrued interests	3,500.00 39.90 39.90	3,500.00 39.90 39.90	3,500.00 128.63 128.63	-The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. Note: -The interest rate for the year 2021-2023 were the effective interest rate according to the original contract.
		3. THAI sold debentures to KTB. Debenture value Interest in accordance with the business rehabilitation plan	832.00 12.48	832.00 12.48	832.00 6.80	-The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. -Also see Notes No.1
		4. THAI provided office space rental, ATM space, utilities, and leased line to KTB. - Total revenue - Account receivable	2.58 0.21	2.72 0.16	3.30 0.22	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		5. THAI paid service fees to KTB for cash delivery and debentures distribution fee.Total expensesAccount payable	0.00 0.13	0.00 0.13	2.84 0.13	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thailand Post Company Limited	•Thailand Post and THAI have a common major shareholder, namely MOF.	THAI bought postal services, both domestic and international, and postal tools from Thailand Post. Total expenses	0.38	0.27	0.14	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities		Type of Transaction	Va	alue (Million THI		
with Potential Conficts of Interest	Relationship		For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
Tourism	•TAT is controlled	1. THAI paid for advertising and				-The pricing is on an arms'
Authority	by the MOF,	sales promotion to TAT.				length basis and on
of Thailand	a major	- Total expenses	1.32	0.00	0.00	commercial terms as
(TAT)	shareholder of THAI.	- Account payable	0.55	0.52	0.24	unrelated parties.
		2. THAI sold tickets and				-The pricing is on an arms'
		provided office space rental				length basis and on
		to TAT.				commercial terms as
		- Total revenue	4.57	16.17	10.15	unrelated parties.
		- Account receivable	0.87	5.23	1.13	
MCOT Public	•MCOT and THAI	1. THAI paid for advertising to				-The pricing is on an arms'
Company	have a common	MCOT.				length basis and on
Limited	major shareholder,	- Total expenses	0.00	0.00	0.00	commercial terms as
(MCOT)	namely MOF.	- Account payable	0.00	0.87	0.87	unrelated parties.
		 Account payable under the rehabilitation plan 	1.02	-	-	
		- Deferred interests	0.16	-	-	
PTT Public	•PTT and THAI	1. THAI bought fuel and				-The pricing is on an arms'
Company	have a common	lubricant for its vehicles from				length basis and on
Limited (PTT)	major shareholder, namely MOF.	PTT.				commercial terms as
		- Total expenses	0.00	0.00	0.06	unrelated parties.
	,	- Account payable	0.13	0.17	1.66	-Also see Notes No.1
		- Account payable under	1.50	1.17	-	
		the rehabilitation plan				
		- Deferred interests	0.23	0.33	-	
		2. THAI sold tickets and				-The pricing is on an arms'
		provided AC dielectric tester				length basis and on
		service to PTT.				commercial terms as
		- Total revenue	28.07	16.33	0.00	unrelated parties.
Airports	•AOT and THAI	1. AOT provided space rental at				-The pricing is on an arms'
of Thailand	have a common	several airports for THAI's				length basis and on
Public	major shareholder,	offices, aircraft/vehicle				commercial terms as
Company	namely MOF.	parking, cargo loading/				unrelated parties.
Limited		unloading, stores for ground				
(AOT)		service equipment,				
		containers, and other				
		services.				
			6 676 54	20/5/0	0 (40 10	
		- Total expenses	6,676.54	3,865.62	8,642.18	
		- Account payable	889.86	890.11	891.05	
		2. THAI sold tickets to AOT and				-The pricing is on an arms'
		received 2% of passenger				length basis and on
		service charge collected for				commercial terms as
						unrelated parties.
		AOT.				unicated parties.
		AOT. - Total revenue	49.20	18.52	0.51	uriretated parties.

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N		Type of Transaction	V	alue (Million TH		
Name of Entities with Potential Conficts of Interest	Relationship		For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
CAT Telecom Public Company Limited (CAT)	•CAT and THAI have a common major shareholder, namely MOF.	THAI sold debentures to CAT. Debenture value Interest in accordance with the business rehabilitation plan	933.00 13.99	933.00 13.99	933.00 17.48	-The pricing, terms, interest rates and Commitment fees are on an arms' length basis and on commercial term as unrelated partiesAlso see Notes No.1
		THAI rents communication channels from CAT. Total expense Account payable	0.00 2.51	0.00 2.51	0.25 2.51	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.
TOT Public Company Limited (TOT)	•TOT and THAI have a common major shareholder, namely MOF.	THAI sold debentures to TOT Debenture value Interest in accordance with the business rehabilitation plan	415.00 6.22	415.00 6.22	415.00 7.11	-The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated partiesAlso see Notes No.1
		THAI rents optical fibers from TOT Total expense Account payable	0.00 3.01	0.00 7.09	0.42 7.07	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Civil Aviation Training Center (CATC)	•CATC is controlled by the MOF, a major shareholder of THAI.	CATC provided aviation training for THAI's pilots. Account payable Account payable under the rehabilitation plan Deferred interests	0.00 10.23 0.88	10.00	10.00	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai-Amadeus Southeast Asia Company Limited (Subsidiary Company)	•THAI is the major shareholder of Thai-Amadeus Southeast Asia, with 55% shares. •THAI's executive officers: -Mr. Chai Eamsiri is a Director of Thai-Amadeus Southeast Asia; -Mr. Korakot Chatasingha is a Director of Thai-Amadeus Southeast Asia;	THAI sold tickets and provided office space and computer rental to Thai-Amadeus Southeast Asia Co., Ltd. Total revenue Account receivable	3.53 0.30	6.20 1.04	6.62 0.99	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.
	-Mr. Tras Prommobol is a Director of Thai-Amadeus Southeast Asia.					

Name of Entities with Potential Conficts of Interest			Va			
	Relationship	Type of Transaction	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
Wingspan Services Company Limited (WSC) (Subsidiary Company)	 THAI is the major shareholder of WSC, with 49% shares and controlling authority. THAI's executive officers: Mrs. Chuntarica Jotikasthira is a Director of WSC. 	1. WSC outsourced its staff to THAI. - Total expenses - Account payable 2. THAI provided office space and equipment rental to WSC. - Total revenue - Account receivable	1,062.82 306.78 3.42 2.24	376.97 166.36 3.56 1.37	0.50 1.59	-The pricing is on an arms' length basis and on commercial terms as unrelated parties. -The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai Flight Training Company Limited (TFTA) (Subsidiary Company)	•THAI is the major shareholder of TFTA, with 49% shares and controlling authority •THAI's executive officers: -Lt.JG. Supoj Charoensuk is a Director of TFTA; -Mrs. Onanong Junhaman is a Director of TFTA.	1. THAI provided aviation training equipment, office space and equipment rental to TFTA. - Total revenue - Account receivable 2. TFTA provided flight attendant training to THAI - Total expenses	34.75 0.77 0.00	22.14 4.23 0.00	15.08 1.19 0.39	-The pricing is on an arms' length basis and on commercial terms as unrelated parties. -The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Tour Eurng Luang Company Limited (Subsidiary Company)	•THAI holds 49 % shares in Tour Eurng Luang Co., Ltd via WSC and with controlling authority.	1. THAI paid commission fees from the sale of Eurng Luang services to Tour Eurng Luang. - Total expenses - Account payable	2.16 0.18	2.05 0.00	0.00 0.00	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.
	,	THAI sold Eurng Luang tours to Tour Eurng Luang. Total revenue Account receivable	10.67 5.37	12.31 0.00	0.04 1.55	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.

			V	alue (Million TH	в)	
Name of Entities with Potential Conficts of Interest	Relationship	Type of Transaction	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
THAI Smile Airways Company Limited (Subsidiary Company)	•THAI wholly owns THAI Smile Airways. •THAI's executive officers: -Mr. Chai Eamsiri is a Director of THAI Smile Airways; -Mr. Korakot Chatasingha is a Director of THAI Smile Airways; -Mrs. Chuntarica Jotikasthira is a Director of THAI Smile Airways; -Mrs. Chuntarica Jotikasthira is a Director of THAI Smile Airways; -Mrs. Cherdchome Therdsteerasukdi is a Director of THAI Smile Airways.	1. THAI bought Block Space and other services from THAI Smile Airways. - Total expenses - Account payable 2. THAI provided aircraft rental, ground services, parking space, aircraft insurance premium, boarding passes, pilot training and catering to THAI Smile Airways. - Total revenue - Account receivable	3,943.73 130.91 3,911.55 10,353.67	2,995.72 490.16 3,346.78 10,885.92	342.06 0.00 1,323.53 8,384.46	-The pricing is on an arms' length basis and on commercial terms as unrelated parties. -The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Don Mueang International Airport Hotel Company Limited (Associated Company)	THAI holds 40% shares in Don Mueang International Airport Hotel. THAI's executive officers: -Mrs. Cherdchome Therdsteerasukdi is a Director of Don Mueang International Airport Hotel.	THAI bought hotel rooms for its passengers from Donmueang International Airport Hotel. Total expenses	0.00	0.00	0.00	-The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities			V	alue (Million TH		
with Potential Conficts of Interest	Relationship	Type of Transaction	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
Phuket Air Catering Company Limited (PACCO) (Associated Company)	•THAI holds 30% shares in PACCO. •THAI's executive officers: -Mrs. Varangkana Luerojvong is a Director of PACCO; -Mr. Tras Prommobol is a Director of PACCO.	THAI bought catering services from PACCO. Total expenses Account payable Account payable under the rehabilitation plan Deferred interests	148.48 0.00 20.44 3.21	38.93 0.00 15.95 1.19	0.04 20.44	-The pricing is on an arms' length basis and on commercial terms as unrelated parties. -Also see Notes No.1
Suvarnabhumi Airport Hotel Company Limited (Associated Company)	THAI holds 30% shares in Suvarnabhumi Airport Hotel. THAI's executive officer: - Mrs. Varangkana Luerojvong is a Director of Suvarnabhumi Airport Hotel; - Mr. Cherdphan Chotikhun is a Director of Suvarnabhumi Airport Hotel.	THAI bought hotel rooms for its passengers from Suvarnabhumi Airport Hotel. Total expenses Account payable Account payable under the rehabilitation plan Deferred interests	0.32 0.00 2.16 0.34	0.16 2.16	0.00 2.16	-The pricing is on an arms' length basis and on commercial terms as unrelated parties. -Also see Notes No.1

Name of Entities with Potential Conficts of Interest			٧	alue (Million TH		
	Relationship	Type of Transaction	For the year ended December 31, 2023	For the year ended December 31, 2022	For the year ended December 31, 2021	Terms/Pricing Policy
Aeronautical Radio of	•AEROTHAI and THAI have	THAI bought navigation services and rented				-The pricing is on an arms' length basis and on
Thailand	a common major	communication equipment				commercial terms as
Limited	shareholder,	from AEROTHAI				unrelated parties.
(AEROTHAI)	namely MOF.	- Total expense	713.56	438.31	145.30	
(Joint-Venture	 THAI holds 	- Account payable	0.00	107.31	105.14	
Company)	0.55% shares in AEROTHAI.	 Account payable under the rehabilitation plan 	103.84			
	THAI's executive officers:	- Deferred interests	8.95			
	- Lt.JG. Supoj					
	Charoensuk					
	is a Director					
	of AEROTHAI.					

Business Operations and Performance

However, the company still has outstanding expenses related to various public utility services (including electricity) that the company has transactions with government agencies and/or state enterprises responsible for providing various public utility services. The amount is THB 3.15 million, with an outstanding balance of THB 0.31 million as of December 31, 2023.

- 1. After the Central Bankruptcy Court has issued an order approving the rehabilitation plan and the request for an amendment to the plan following the resolution of the meeting of creditors on May 19, 2021. THAI has made improvements in debt to a financial liability that has been measured at amortized cost using the effective interest method and considered a pre-adjusted financial liability. In addition, whether there has been a significant difference after the adjustment for financial liabilities that differ materially, the new financial liabilities have been recognized at fair value using the discounted cash flow method which used the market interest rate. The difference between the carrying amount of the adjusted financial liability and the present value of the recalculated financial liability where THAI recognizes gains on debt restructuring in the statements of income and other comprehensive income and the interest expense is recognized at the market rate. If such financial liabilities do not have a significant difference THAI would adjust its cash flows under new conditions by using the effective interest rate under the original contract resulting difference is recognized as gain on debt restructuring in the statements of income and other comprehensive income and the interest expense is recognized at the effective interest rate according to the original contract
- The interest rate for the year 2021-2023 were the rate according to the court's order approving the business rehabilitation plan (June 15, 2021)
- 2. Debts from foreign financial institutions through major shareholders is a facility that the Ministry of Finance "(MOF)" which has entered into a facility agreement with a foreign financial institution and the MOF has extended the facility period to THAI. Later, on October 20, 2022, the Central Bankruptcy Court approved the amended plan for Group 4 creditors and debt from major shareholders who are not financial institutions by changing the repayment method to receive debt repayment by converting debt to equity accordance with the amended business rehabilitation plan. Therefore, THAI adjusts the amount of debt according to the order from the official receiver. Financial liabilities are re-measured to fair value using a discounted cash flow method
- 3. On October 20, 2022, the Central Bankruptcy Court ordered to approve the plan amendment of THAI's rehabilitation plan for Group 6 Creditors, unsecured financial institution creditors, by changing their payment methods to convert debt to equity accordance with the amendment of business rehabilitation plan. For this reason, as of December 31, 2022, THAI adjusted the debt according to the order from the official receiver. Financial liabilities are re-measured to fair value using a discounted cash flow method using the market interest rate.

9.2.2 Necessity and reasonableness of related party transactions

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

9.2.3 Connected Transaction Approval Procedures

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

9.2.4 Future related party transaction policy

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







บริษัท ดีลอยท์ ทู้ช โธมัทสุ ไขยยศ สอบบัญชี จำกัด อาคาร เอไอเอ สาทร ทาวเวอร์ ชั้น 23-27 11/1 ถนนสาทรใต้ แขวงยานนาวา เขตสาทร กรุงเทพฯ 10120

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REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE PLAN ADMINISTRATOR
THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Thai Airways International Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of Thai Airways International Public Company Limited (the "Company") which comprise the consolidated and separate statements of financial position as at December 31, 2023, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Thai Airways International Public Company Limited and its subsidiaries and of Thai Airways International Public Company Limited as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of matter

We draw attention to Notes 1 and 5 to the financial statements, 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. 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 opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters

Accuracy of passenger fare

Passenger fare is recognized as revenue when the related transportation service is provided. The value of passenger fare for which the related transportation service has not yet been provided at the end of the reporting period is recorded as unearned transportation revenue presented as the part of deferred revenue in the statement of financial position.

Passenger fare is made up of a high volume of individually low value transactions. The amount of revenue to be recognized for each flight as it is flown relies on complex internal IT system that handle large volumes of transaction data. We have focused our audit on revenue from passenger fare for the accuracy of value of passenger fare that have not yet been provided and the recognition of revenue on passenger fare when services have been provided.

Accounting policies for recognition of revenue from passenger fare were disclosed in Note 3.14 to the financial statements.

Audit Responses

Key audit procedures included:

- Obtained understanding and assessed and tested the Group's internal controls on the passenger fare process by making enquiry of responsible personnel and selecting representative samples to test the implementation of the designed controls.
- Involved our IT specialists to audit general IT control on IT Systems and review the testing results on System and Organization Controls for Service Organization (SOC) of relevant IT controls which were verified by a valid third party.
- Reconciled the unearned transportation revenue and revenue on passenger fare in the accounts with reports from related IT systems.
- Examined sample selections of passenger fare recorded as unearned transportation revenue to underlying evidence of payment, and of flight records to assess the accuracy of the revenue recognized when services have been provided.
- Performed analytical review on revenue data disaggregated by nature to detect possible irregularities.
- Tested the appropriateness of journal entries and other adjustments which were directly posted passenger fare.

Key Audit Matters

Assessing impairment of aircrafts and related assets

Management performs an impairment assessment of the cash-generating units by comparing its carrying value with its recoverable amount.

We identified the assessment of impairment of aircraft and related assets in the cases that the recoverable amount obtained from value-in-use as a key audit matter because it uses the significant accounting estimate that required management to exercise a high degree of judgement in estimating revenue growth and discount rate which is relevant to the future cash flows.

Accounting policies of impairment and details of aircraft and related assets were disclosed in the Notes 3.11 and 4.1 to the financial statements, respectively.

Audit Responses

Key audit procedures included:

- Read minutes of the Plan Administrator, Creditors, Executive Management, and those Charged with Governance meetings and held discussions with senior management to understand to rationale and assumption and also consider if they were reflected in the value-in-use calculation prepared by Management.
- Obtained an understanding of process in determining the indicator and estimate of allowance for impairment of aircrafts and related assets and tested of design and implementation of Group's internal control.
- Involved internal valuation specialist to assess and test the appropriateness and possibility of the methodology and significant assumptions applied by the management in projected cash flow relating to the value-in-use, including the consideration of revenue growth, which is based on utilization of the fleet and flight plan, and discount rate with reference to our understanding of the business, historical trends and available industry information and market data.
- Performed sensitivity analyzes on the key assumptions, included projected profitability, expected growth rates and discount rates adopted in the discounted cash flow forecasts and assessing whether there was any indicator of management bias in the selection of this assumptions.
- Preformed analytical review on information relevant to the loss on impairment of aircrafts and related
- Checked the arithmetical accuracy of the computation used in assessing of value-in-use.
- Reviewed the disclosures in respect of the impairment assessment of these assets

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Juntira Juntrachaichoat Certified Public Accountant (Thailand)

7. Intrahaidont

BANGKOK February 22, 2024 Registration No. 6326

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

Management and Corporate Governance Financial Statement

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

UNIT: BAHT

			LIDATED STATEMENTS	SEPA	RATE STATEMENTS
	Notes	As at	As at	As at	As at
	riotes	December 31,	December 31,	December 31,	December 31,
		2023	2022	2023	2022
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7.1	52,939,463,396	34,539,793,772	52,359,257,744	34,042,074,166
Trade and other current receivables	6.2, 8	19,190,916,364	16,955,034,829	18,666,925,099	17,040,069,085
Inventories and supplies	9	5,253,829,658	4,448,944,904	5,221,302,754	4,427,515,059
Current tax assets		349,267,292	317,595,696	349,267,292	317,595,696
Other current financial assets	10	14,190,615,215	()	14,090,577,500	:*s
Other current assets		49,346,375	795,858,833	49,346,375	795,821,693
Non-current assets classified as held for sale	11	2,102,577,841	2,746,514,121	2,102,577,841	2,746,514,121
Total Current Assets		94,076,016,141	59,803,742,155	92,839,254,605	59,369,589,820
NON-CURRENT ASSETS					
Other non-current financial assets	22, 34.5	3,140,999,962	3,243,541,000	3,135,906,662	3,212,334,853
Investments in associates	12.1	574,690,186	511,002,483	383,334,000	383,334,000
Investments in subsidiaries	12.2	(** 0	-2	10,209,920	10,209,920
Non-current receivable under lease agreements		-			6,495,040,409
Property, plant and equipment	13	44,579,272,684	45,968,605,615	44,556,189,072	45,918,253,719
Right-of-use assets	14	65,047,852,604	61,868,826,214	65,042,183,223	56,295,477,032
Intangible assets		121,672,860	166,069,480	115,987,117	145,112,285
Deferred tax assets	15	10,994,809,615	9,599,009,022	10,987,712,303	9,591,946,667
Maintenance reserves	16	14,894,114,789	14,328,757,735	14,894,114,789	14,328,757,735
Other non-current assets	17	5,561,226,965	2,688,165,526	5,463,449,926	2,548,555,188
Total Non-current Assets		144,914,639,665	138,373,977,075	144,589,087,012	138,929,021,808
TOTAL ASSETS		238,990,655,806	198,177,719,230	237,428,341,617	198,298,611,628

Notes to the financial statements form an integral part of these statements

(Mr.Chai Eamsiri)

Chief Executive Officer

Cthul.

(Mrs.Cherdchome Therdsteerasukdi) Chief, Finance and Accounting

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF FINANCIAL POSITION (CONTINUED) AS AT DECEMBER 31, 2023

UNIT: BAHT

		MANUFACTURE CONTROL OF	LIDATED STATEMENTS	SEPAI FINANCIAL S	
	Notes	As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	6.2, 20	28,547,059,852	25,036,720,096	27,340,119,068	23,148,070,066
Deferred revenue	21	37,575,699,718	35,679,208,931	37,497,491,090	35,344,600,968
Current portion of long-term liabilities					
Long term borrowing fron related party	6.2, 7.3		453,754,166	547	453,754,166
Leases liabilities	7.3, 19	7,186,755,767	1,979,804,017	7,180,322,067	1,975,960,540
Short-term borrowings from related parties	6.2, 7.3		39,000,000		
Income tax payable		7,920,562	4,500,589		3340
Accrued dividends		54,626,562	54,565,362	54,228,762	54,228,762
Other current liabilities		824,161,546	409,029,424	816,630,738	408,993,722
Total Current Liabilities		74,196,224,007	63,656,582,585	72,888,791,725	61,385,608,224
NON-CURRENT LIABILITIES					
Long-term liabilities					
Long-term borrowings from financial institutions	7.3, 18.1	8,398,920,948	7,717,759,083	8,398,920,948	7,717,759,083
Long-term borrowings from related parties	6.2, 7.3	24,931,759,206	23,907,474,750	24,931,759,206	23,907,474,750
Leases liabilities	7.3, 19	77,073,995,134	85,141,788,721	77,073,635,777	85,140,838,305
Debentures	7.3, 18.2	46,826,245,490	42,764,683,547	46,826,245,490	42,764,683,547
Trade and other non-current payables	6.2, 20	15,699,742,644	13,796,918,544	15,699,742,644	13,796,918,544
Staff pension fund	22	880,273,136	931,905,658	880,273,136	931,905,658
Non-current provisions for employee benefit	23	4,768,335,454	4,496,194,282	4,740,606,576	4,414,525,009
Other non-current provisions	24	29,340,225,624	26,776,840,778	29,340,225,624	19,848,841,569
Other non-current liabilities	6.4	17,414,882	12,207,708		1,883,304,922
Total Non-current Liabilities		207,936,912,518	205,545,773,071	207,891,409,401	200,406,251,387
TOTAL LIABILITIES		282,133,136,525	269,202,355,656	280,780,201,126	261,791,859,611

Notes to the financial statements form an integral part of these statements

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(Mr.Chai Eamsiri) Chief Executive Officer Cellud.

(Mrs.Cherdchome Therdsteerasukdi) Chief, Finance and Accounting

Management and
Corporate Governance

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2023

UNIT: BAHT

	Note		LIDATED STATEMENTS	SEPAR FINANCIAL S	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
33,682.46 million ordinary shares par value					
of Baht 10 each	31.2	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					
Unappropriated (deficit)		(75,879,961,389)	(103,848,403,956)	(76,017,935,576)	(96,236,279,467)
Other components of shareholders' equity		8,975,379,114	9,074,992,677	8,975,377,743	9,052,333,160
Total shareholders' equity arributable					
to owners of the Company (capital deficiency)		(43,213,883,951)	(71,082,712,955)	(43,351,859,509)	(63,493,247,983)
Non-controlling interests		71,403,232	58,076,529	-	
TOTAL SHAREHOLDERS' EQUITY					
(CAPITAL DEFICIENCY)		(43,142,480,719)	(71,024,636,426)	(43,351,859,509)	(63,493,247,983
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		238,990,655,806	198,177,719,230	237,428,341,617	198,298,611,628

Notes to the financial statements form an integral part of these statements

(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 YEAR ENDED DECEMBER 31, 2023

UNIT: BAHT

		CONS0L	IDATED	SEPAR	ATE
		FINANCIALS	TATEMENTS	FINANCIAL ST	ATEMENTS
	Notes	2023	2022	2023	2022
Revenues	32.1, 32.2				
Revenues from sales and rendering services	25, 30				
Passenger and excess baggage		132,736,296,515	73,408,336,989	123,199,606,036	64,861,663,334
Freight and mail		15,464,155,160	23,784,429,737	15,464,702,055	23,742,720,039
Other business		9,245,118,589	6,674,148,536	10,326,618,631	7,792,713,532
Total revenues from sales and rendering of services		157,445,570,264	103,866,915,262	148,990,926,722	96,397,096,905
Other income					
Interest income		1,395,867,754	65,581,603	1,391,491,244	64,628,633
Gain on sales of investments		2,510	16,132,150	2,510	16,132,150
Gain on debt restructuring	5.2.1	3,956,035,896	I T i	3,956,035,896	
Other income	26	2,694,314,334	1,263,679,423	2,541,840,437	1,207,101,166
Total other income		8,046,220,494	1,345,393,176	7,889,370,087	1,287,861,949
Total Revenues		165,491,790,758	105,212,308,438	156,880,296,809	97,684,958,854
Expenses					
Aircraft fuel expenses		47,764,889,764	38,378,379,705	44,263,058,427	34,593,190,240
Employee benefits expenses		10,708,292,136	7,686,639,751	10,378,919,806	7,057,945,214
Flight service expenses		14,034,165,597	9,045,391,313	13,087,435,035	8,244,619,756
Crew expenses		3,999,632,400	2,601,237,567	3,658,000,299	2,245,318,666
Aircraft repair and maintenance costs		11,037,453,242	11,650,522,924	10,172,530,198	8,928,322,175
Depreciation and amortization expenses		11,389,087,654	9,880,894,144	10,728,820,383	8,562,601,157
Lease of aircraft and spare parts		2,967,110,628	5,226,737,469	2,907,698,886	5,140,568,427
Inventories and supplies expenses		5,882,380,107	2,875,564,311	5,615,276,738	2,647,134,569
Selling and advertising expenses		7,240,111,066	4,731,725,276	6,534,513,148	3,998,109,403
Impairment loss on assets (Reversal)	27	76,800,799	(9,520,673,393)	76,800,799	(9,520,673,393
Loss on debt restructuring	5.2.1		5,238,410,546	¥	5,238,410,546
Net foreign exchange loss		1,065,603,355	1,511,791,603	58,445,484	1,487,667,625
Loss on restructuring of business operation in aviation business	6.4	9		9,012,740,346	-
Other expenses		6,871,771,719	4,787,503,883	6,599,201,631	4,153,553,346
Total Expenses		123,037,298,467	94,094,125,099	123,093,441,180	82,776,767,731
Profit from operating activities		42,454,492,291	11,118,183,339	33,786,855,629	14,908,191,123
Finance costs		15,610,608,001	12,686,734,414	14,978,540,342	11,148,073,266
Impairment loss determined in accordance					
with TFRS 9 (Reversal)	28	106,278,977	112,948,211	(193,748,205)	2,514,074,153
Share of (gain) loss from investments in associates		(63,687,709)	4,304,893		
Profit (loss) before income tax expense		26,801,293,022	(1,685,804,179)	19,002,063,492	1,246,043,704
Income tax income	29	1,322,013,880	1,434,193,377	1,342,547,612	1,450,554,558
PROFIT (LOSS) FOR THE YEARS		28,123,306,902	(251,610,802)	20,344,611,104	2,696,598,262

Notes to the financial statements form an integral part of these statements

(Mr.Chai Eamsiri) Chief Executive Officer (Mrs.Cherdchome Therdsteerasukdi)

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Management and
Corporate Governance

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT: BAHT

					UNIT : BAHT
		CONSOLI FINANCIAL S		SEPAR.	
	Notes	2023	2022	2023	2022
OTHER COMPREHENSIVE INCOME (LOSS)		2020		2420	
Components of other comprehensive income					
that will not be reclassified to profit or loss					
Gains on revaluation of assets		•			
Income tax relating to revaluation of assets		2	-		
Gains (loss) on investment in equity designated at fair value					
through other comprehensive income		(30,636,204)	36,870,104	(7,978,058)	15,229,032
Income tax related to investment in equity designated at					
fair value through other comprehensive income		1,595,612	(3,045,807)	1,595,612	(3,045,807)
Acturial gains (loss) on employee benefit obligations	23	(247,728,843)	592,791,998	(246,050,230)	569,859,198
Income tax related to acturial gains on					
employee benefit obligations		49,210,046	(113,971,840)	49,210,046	(113,971,840
Total components of other comprehensive income			-		
that will not be reclassified to profit or loss		(227,559,389)	512,644,455	(203,222,630)	468,070,583
Other comprehensive income for the years - net of tax		(227,559,389)	512,644,455	(203,222,630)	468,070,583
Total comprehensive income for the years		27,895,747,513	261,033,653	20,141,388,474	3,164,668,845
Profit (loss) attributable to					
Owners of the parent		28,096,388,393	(272,248,251)	20,344,611,104	2,696,598,262
Non-controlling interests		26,918,509	20,637,449	•	
		28,123,306,902	(251,610,802)	20,344,611,104	2,696,598,262
Total comprehensive income attributable to					
Owners of the parent		27,868,829,004	240,396,204	20,141,388,474	3,164,668,845
Non-controlling interests		26,918,509	20,637,449		(141)
		27,895,747,513	261,033,653	20,141,388,474	3,164,668,845
Profit (loss) 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 (loss) per share (Baht per share)		12.87	(0.12)	9.32	1.24

Notes to the financial statements form an integral part of these statements

(Mr.Chai Eamsiri) Chief Executive Officer (Mrs.Cherdchome Therdsteerasukdi)

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THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT: BAHT

				Shareholders'	Con: quity attributable to	Consolidated linancial statements Shareholders' equity attributable to owners of the Company	ients		Non-controlling	Total
	Notes	Issued and	Premium on	Deficit	Other con	Other components of shareholders' equity	equity .	Total	Interests	Shareholders'
		Paid-up	Shares	Unappropriated	Other	Other comprehensive income (loss)	(oss)	Shareholders'		Equity
		Share Capital		I,	Surplus	Gains (losses)	Total other	equity		
					on revaluation	on remeasuring	components of	attributable to		
					assets - net	equity securities at	shareholders'	owners of		
					of tax	fair value through	equity	the parent company		
						other comprehensive				
						income				
Balance as at January 1, 2022		21.827.719.170	1.862.979.154	(104,673,778,434)	9,650,207,226	9.763.725	19,659,970,951	(71,323,109,159)	72,630,880	(71.250.478.279)
Changes in Shareholders' Equity										
Dividends paid		•	٠						(35,100,000)	(35,100,000)
Dividends paid to cumulative preferred shares		i		•	•				(91,800)	(91,800)
Transfer capital surplus from valuation of sold asset	31			618,802,571	(618,802,571)	•	(618,802,571)			
Total comprehensive income for the year			•	206,571,907		33,824,297	33,824,297	240,396,204	20,637,449	261,033,653
Balance as at December 31, 2022		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)
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		•	٠	•	•	٠		79	(13,500,006)	(13,500,006)
Dividends paid to cumulative preferred shares				•				7.4.7	(91,800)	(91,800)
Transfer capital surplus from valuation of sold asset	31	£	š	70,572,971	(10,572,971)	٠	(70,572,971)	×	*	
Total comprehensive income (loss) for the year		•	•	27,897,869,596		(29,040,592)	(29,040,592)	27,868,829,004	26,918,509	27,895,747,513
Balance as at December 31, 2023		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)

Notes to the financial statements form an integral part of these statements



Chief Executive Officer (Mr.Chai Eamsiri)

(Mrs.Cherdchome Therdsteerasukdi)

UNIT: BAHT

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

(Mrs.Cherdchome Therdsteerasukdi) Chief, Finance and Accounting

Chief Executive Officer (Mr.Chai Eamsiri)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	Issued and	Premium on	Deficit	Other	Other components of shareholders' equity	equity	Total
		Paid-up	Shares	Unappropriated	Oth	Other comprehensive income (loss)	(550	Shareholders'
		Share Capital			Surplus	Gain (loss) on	Total other	Equity
					on revaluation assets	remeasuring equity	components	
					- net of tax	securities at fair	of shareholders'	
						value through	equity	
						other comprehensive		
						income		
Balance as at January 1, 2022		21,827,719,170	1,862,979,154	(100,007,567,657)	9,650,207,226	8,745,279	9,658,952,505	(66,657,916,828)
Changes in Shareholders' Equity								
Transfer capital surplus from valuation of sold asset	31	74		618,802,571	(618,802,571)	•	(618,802,571)	
Total comprehensive income for the year		ā	174	3,152,485,620	٠	12,183,225	12,183,225	3,164,668,845
Balance as at December 31, 2022		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)
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 capital surplus from valuation of sold asset	31		×	70,572,971	(170,572,971)		(170,572,971)	
Total comprehensive income (loss) for the year			Ä	20,147,770,919	3	(6,382,445)	(6,382,445)	20,141,388,474
Balance as at December 31, 2023		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)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT: BAHT

		CONSOLI	DATED	SEPAR	RATE
		FINANCIAL ST	TATEMENTS	FINANCIAL ST	FATEMENTS
	Notes	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (Loss) for the years		28,123,306,902	(251,610,802)	20,344,611,104	2,696,598,262
Adjustment to reconcile profit and loss					
Income tax		(1,322,013,880)	(1,434,193,377)	(1,342,547,612)	(1,450,554,558
Depreciation and amortization		11,389,087,654	9,880,894,144	10,728,820,383	8,562,601,157
Dividend received		(1,046,315)	(6,344)	(18,134,176)	(42,906,176
Share of (gain) loss from associates using the equity method		(63,687,709)	4,304,893	12	
Interest income		(1,395,867,754)	(65,029,136)	(1,391,491,244)	(64,076,165
Finance costs		15,610,608,001	12,686,734,414	14,978,540,342	11,148,073,266
Gain on disposal of assets		(469,019,213)	(783,383,072)	(468,945,606)	(783,383,072
Gain on sale of investments		(2,510)	(16,132,150)	(2,510)	(16,132,150
(Gain) Loss arising from financial asset designated					
at fair value through profit or loss		101,987,539	(83,432,071)	101,987,539	(83,432,071
Unrealized (gain) loss on foreign exchange rates		(1,246,404,663)	3,688,702,815	(1,517,461,974)	4,337,448,630
Provisions for pension fund	22	65,738,633	25,370,932	65,738,633	25,370,932
Provision for employee benefits	23	213,624,188	99,877,973	269,303,087	83,619,436
Provision for long-term aircraft maintenance		2,455,101,109	3,525,086,542	1,680,925,729	3,220,610,218
Loss on inventories and supplies obsolescence (Reversal)		(278,901,232)	5,004,893	(278,901,232)	5,004,893
Impairment loss determined in accordance					
with TFRS 9 (Reversal)	28	106,278,977	112,948,211	(193,748,205)	2,514,074,153
Loss on termination of lease contract (Reversal)		(27,060,247)	69,862,722	(27,045,094)	69,862,722
Loss on write off asset		4,742,034	17,675,360	4,742,034	17,675,360
(Gain) Loss on debt restructuring		(3,956,035,896)	5,238,410,546	(3,956,035,896)	5,238,410,546
Loss on restructuring of business operation in aviation busin	6.4		•	9,012,740,346	7-6
Impairment loss on asset (Reversal)	27	76,800,799	(9,520,673,393)	76,800,799	(9,520,673,393
Profit from operating before changes in					
operating assets and liabilities		49,387,236,417	23,200,413,100	48,069,896,447	25,958,191,990
Operating assets decrease (increase)					
Trade and other current receivables		(3,510,939,337)	(7,963,364,783)	(3,230,054,275)	(7,099,607,224
Lease receivables			8	354,898,347	622,366,586
Inventories and supplies		(494,111,616)	(322,403,502)	(514,886,463)	(318,467,744
Other current assets		746,293,146	(234,517,310)	746,475,318	(203,253,695
Maintenance reserves		(686,711,571)	(43,364,711)	(686,711,571)	(201,994,656
Other non-current financial assets		(32,278,522)	144,860,409	(32,411,522)	145,301,203
Other non-current assets		(3,677,320,488)	1,701,824,691	(3,654,989,191)	1,651,058,59

Notes to the financial statements form an integral part of these statements

Chief Executive Officer

(Mr.Chai Eamsiri)

(Mrs.Cherdchome Therdsteerasukdi) Chief, Finance and Accounting

Management and
Corporate Governance

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES STATEMENTS OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT: BAHT

					UNIT: BAHT
		CONSOLI	IDATED	SEPAR	ATE
		FINANCIAL ST	FATEMENTS	FINANCIAL ST	TATEMENTS
	Notes	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)					
Operating liabilities increase (decrease)					
Trade and other payables		547,596,621	(4,189,134,226)	590,689,120	(8,426,520,807)
Deferred revenues		1,832,244,220	17,926,066,366	2,152,732,763	17,927,687,335
Other current liabilities		223,589,435	(634,508,278)	224,798,846	(648,119,186)
Staff pension fund		(114,570,736)	(118,114,828)	(114,570,736)	(118,114,828)
Employee benefit paid		(189,401,751)	(159,202,788)	(189,271,751)	(157,992,388)
Other non-current liabilities		68,187,553	(91,492,234)	63,080,589	(91,959,893)
Net cash provided by operations		44,099,813,371	29,217,061,906	43,779,675,921	29,038,575,284
Income tax paid		(394,198,970)	(328,675,148)	(349,267,292)	(317,595,696)
Income tax refund		199,243,089	219,041,639	199,243,089	199,768,202
Net cash flows provided by operating activities		43,904,857,490	29,107,428,397	43,629,651,718	28,920,747,790
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash paid for purchase other current financial assets		(14,189,251,300)		(14,090,577,500)	-
Deposit received from sale of asset		170,039,658	195,979,527	170,039,658	195,979,527
Cash paid for purchase of property, plant and equipment		(5,025,885,698)	(206,896,041)	(5,011,749,828)	(195,634,384)
Cash paid for purchase of intangible assets		(147,377,069)	(27,718,804)	(136,028,681)	(6,929,861)
Cash received from sales of assets		2,250,690,734	2,318,679,444	2,250,690,734	2,318,679,444
Cash received from sales of investments		2,142,510	64,629,569	14,010	67,836,669
Interest received		1,159,008,482	56,353,974	1,155,442,357	55,401,003
Dividend received		21,486,874	35,576	38,574,705	42,906,176
Net cash flows provided by (used in) investing activities		(15,759,145,809)	2,401,063,245	(15,623,594,545)	2,478,238,574
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash paid for long-term borrowings					
from related party	7.3	(453,754,166)	-	(453,754,166)	2
Cash received from short-term borrowings from related parties	7.3	*	39,000,000		•
Cash paid for short-term borrowings from related party	7.3	(39,000,000)	-		
Cash paid for lease liabilities	7.3	(8,947,326,206)	(1,802,524,298)	(8,937,829,550)	(1,792,321,122)
Dividend paid		*	(15,384)		+:
Dividend of subsidiary paid to non-controlling interests		(13,530,600)	(35,115,216)		E-
Net cash flows used in financing activities	- 3	(9,453,610,972)	(1,798,654,898)	(9,391,583,716)	(1,792,321,122)
Net increase in cash and cash equivalents					
before effect of exchange rate		18,692,100,709	29,709,836,744	18,614,473,457	29,606,665,242
Effects of exchange rate changes on cash and cash equivalents		(282,065,732)	(665,939,327)	(286,924,526)	(667,646,853
Effects of reversal of impairment loss determined in accordance				, , , , , , , , , , , , , , , , , , , ,	***************************************
with TFRS 9 on cash and cash equivalents		(10,365,353)	(18,757,445)	(10,365,353)	(18,757,445
Cash and cash equivalents at beginning of the years	7.1	34,539,793,772	5,514,653,800	34,042,074,166	5,121,813,222
Cash and cash equivalents at ending of the years	7.1	52,939,463,396	34,539,793,772	52,359,257,744	34,042,074,166

Notes to the financial statements form an integral part of these statements

(Mr.Chai Eamsiri)

Chief Executive Officer

(Mrs.Cherdchome Therdsteerasukdi)

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

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Management Corporate Governance

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. GENERAL INFORMATION AND OPERATIONS AND GOING CONCERNS

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

As at December 31, 2023 and 2022, 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 December 31, 2023, the Company had the routes network servicing to 54 destinations in 24 countries all over the world, whereas 3 destinations were domestic (excluding Bangkok).

As at December 31, 2022, the Company had the routes network servicing to 33 destinations in 23 countries all over the world, and Thai Smile Airways Company Limited, a subsidiary, had the routes network servicing to 23 destinations in 8 countries, whereas 10 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. On May 27, 2020, the Central Bankruptcy Court accepted 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 repayment 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 5.

As at December 31, 2023, the Company and its subsidiaries (the "Group") have the capital deficiency by Baht 43,142 million and by Baht 43,352 million in the consolidated and separate financial statements, 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 rehabilitation plan and reorganize the business operation appropriately in term of flight route planning, the number of flights and management of aircraft in the fleet in responding to such recovering situation of the airline business in order to maintain the appropriate financial liquidity.

Between 2020 and 2022, the Company submitted a request for rehabilitation of the Company's business and implemented the rehabilitation plan and the latest revised rehabilitation plan which was approved on October 20, 2022. The essence of the rehabilitation plan is adjustment. Capital structure Incurring debt and raising capital Debt repayment by group of creditors and the success of the rehabilitation plan as disclosed in Note 5.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
 - 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 Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2022 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements (No.3) B.E. 2562" dated December 26, 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).

2.4 Material intercompany transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements. The subsidiaries are as follows:

Company's Name	Type of business	Main location of incorporation	Owne perce	ership ntage
Held by the Company:			As at December 31, 2023	As at December 31, 2022
Thai-Amadeus Southeast Asia Company Limited	Information technology for travel services	Thailand	55	55
2. WingSpan Services Company Limited	Providing specialized personnel services to the Company	Thailand	49 ⁽¹⁾	49 ⁽¹⁾
3. Thai Smile Airways Company Limited	Air transportation services	Thailand	100	100
Held by the Company and 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 ownership interest 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.

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

During the year, 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, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

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

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

The revised TFRSs are mostly the revision of wording and terminology and clarification of accounting requirements. TFRSs which have been amended and are relevant to the Group are as follows:

Thai Accounting Standard No.1 "Presentation of Financial Statements"

The amendments change the requirements regarding the disclosure of accounting policies from "significant accounting policies" to "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments change the definition of accounting estimates to be "monetary amounts in financial statements that are subject to measurement uncertainty", to help an entity to be able to segregate the difference of "change in accounting estimates" from "change in accounting policies".

Thai Accounting Standard No.12 "Income Taxes"

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. At the beginning of the earliest comparative period, an entity recognizes a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions.

In addition, such amendments also add the exemption for the International Tax Reform - Pillar Two Model. An entity should not recognize and not disclose the deferred tax assets and deferred tax liability which are relevant to Pillar Two income tax.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of the consolidated financial statements

The consolidated financial statements comprise the Company and its subsidiaries' financial statements and the Group's interest in associates.

Transactions eliminated on the consolidated financial statements

Significant intra-group balances and transactions have been eliminated in the preparation of the consolidated financial statements. The consolidated financial statements for the years ended December 31, 2023 and 2022 were prepared by using the financial statements of its subsidiaries and associates as of the same date.

3.2 Foreign currencies

Transactions in foreign currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized as profit or loss in statements of profit or loss and other comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, all deposits at banks with the original maturities of three months or less and highly liquid short-term investments, excluding cash at banks used as collateral.

3.4 Trade and other current receivables

Trade receivables and other receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses ("ECL") has disclosed in Note 3.7.

3.5 Inventories

Inventories consisting of aircraft spare parts, engine, ground equipment, aircraft fuel, cabin and catering supplies, inventories for sales as well as stationery and office supplies, are presented at the lower of moving average cost or net realizable value, and inventories in transit are presented at cost on the purchase date.

3.6 Non-current assets held for sale

Non-current assets and disposal asset groups are classified as held-for-sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset or asset class is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable.

Gains or losses on sale of assets are recognized as other income or expense by the date of the sale of assets.

Non-current assets classified as held-for-sale are measured at the lower of their carrying amount and fair value less costs to sell.

3.7 Financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All recognized financial assets are measured subsequently in their entirely at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principle and interest on the principle amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset;

• The Group may irrevocable elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met conditions of (2) below;

(1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognized in profit or loss and is included in the "Interest income" line item.

Corporate Governance

(2) Equity instruments designated as at fair value through other comprehensive income ("FVTOCI")

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not be classified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with TFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "Other income" line item in profit or loss.

(3) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI (see (1) to (2) above) are measured at FVTPL. Specifically;

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called "accounting mismatch") that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item. Fair value is determined in the manner described in Note 34.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost, lease receivables, trade receivables, other receivables, and contract assets. The amount of expect credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognizes lifetime ECL for trade and other receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(1) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date. The Group understands the specific future financing needs of the debtors, and other relevant forward-looking information.

Corporate Governance

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with TFRS 16 "Leases".

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statements of financial position.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized as an expense in the statements of profit or loss and other comprehensive income.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL. Furthermore, derecognized financial liabilities are recognized initially at the market rate, subsequently to the derecognition.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

The Group has considered the market interest rate from reference interest rates in countries with risk levels similar to those of the Group. The reference interest rate is adjusted for other factors that are comparable to the Company's risk, such as the contract's remaining term, industry risk adjusted for country risk, and the difference between secured and unsecured loan risk.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between; (1) the carrying amount of the liability before the modification; and (2) the present value of cash flows after modification should be recognized in profit or loss as the modification gain or loss within other gains and losses.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, options and interest rate swaps.

Derivatives are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements;

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationships; and
- The hedged ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the "Other gain or loss" line item.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

3.8 Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

An associate is an entity which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under the equity method, an investment in an associate is initially recognized in the consolidated statements of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate equals or exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized as liabilities only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately as profit or loss in the statements of profit or loss and other comprehensive income in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as asset held-for-sale or when a Group lacks significant influence over that Company.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss for the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest in the statements of profit or loss and other comprehensive income if that gain or loss would be reclassified to profit or loss upon the disposal of the related assets or liabilities.

When a group entity transacts with an associate, profits and losses resulting from such transactions are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as profit or loss in the statements of comprehensive income.

If the Group disposes of a partial of its holding investment, the deemed cost of the sold investment and the holding of the investment are determined using the weighted-average method applied to the carrying value of the total holding of the investment.

3.9 Property, plant and equipment

Recognition and measurement

Land is presented at a revalued amount using market approach method. The revaluation was done by the independent appraiser. The revaluation shall be made every 5 years or considered if there is any changes that affect the fair value of land significantly. The revaluation surplus is recognized in other comprehensive income. Any decrease in revaluation is recognized directly against prior appraisal price for the particular asset. The residual decrement in appraisal is recognized as other operating expense. Upon disposal, any remaining related revaluation surplus of the land is transferred directly to retained earnings and is not taken into account in calculating the profit or loss on disposal.

Building improvement, buildings under lease agreement, aircraft and aircraft overhaul costs (D-check), aircraft under leases agreement, aircraft improvement, rotable aircraft's spare parts including machine, engine and passenger seat, tools and plant and equipment are measured at cost less accumulated depreciation and allowance for impairment.

Building is presented at a revalued amount using cost approach method. The revaluation was done by the independent appraiser. The revaluation shall be made every 5 years or considered if there is any changes that affect the fair value of building significantly. The revaluation surplus is recognized in other comprehensive income. Any decrease in revaluation is recognized directly against prior appraisal price for the particular asset. The residual decrement in appraisal is recognized as other operating expense. Upon disposal, any remaining related revaluation surplus of the land is transferred directly to retained earnings and is not taken into account in calculating the profit or loss on disposal.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost also includes the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for separately by major components.

Gains or losses on disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net as profit or loss in the statements of profit or loss and other comprehensive income.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized as an expense in statements of profit or loss and other comprehensive income as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statements of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings, building improvement		
and building under lease agreement	10 - 50	years
Aircraft	20	years
Aircraft under lease agreement	2 - 20	years
Aircraft overhaul	4 - 7	years
Aircraft improvement	5 - 20	years
Rotable aircraft's spare part	5 - 20	years
Tools, plant and equipment	5 - 20	years

The Group do not depreciate land.

Depreciation methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate.

3.10 Intangible assets

Intangible assets are computer software that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and allowance for impairment, if any.

Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized as an expense in the statements of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of intangible asset, from the date that they are available for use. The estimated useful lives are 5 years.

Amortization methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate.

3.11 Impairment of non-financial asset

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized as an expense in the statements of profit or loss and other comprehensive income unless it reverses a previous revaluation credited to equity and it subsequently impairs in which case it is charged to statements of profit or loss and other comprehensive income.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the higher of the asset's value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications of impairment the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, as if no impairment loss had been recognized.

3.12 Provision

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

3.13 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statements of profit or loss and other comprehensive income in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the statements of comprehensive income on a straight-line basis until the benefits become vested. To the extent that the benefits is vested, the expense is recognized immediately in the statements of profit or loss and other comprehensive income.

The Group recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statements of profit or loss and other comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the statements of profit or loss and other comprehensive income when the plan amendment is effective.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods that benefit is assessed by an independent actuary and based on actuarial assumption using projected unit credit method to determine present value of cash flow of employee benefit to be paid in the future. Any actuarial gains and losses are recognized as profit or loss in the statements of profit or loss and other comprehensive income in the period which they incur.

Short-term employee benefit obligations are measured on an undiscounted cash flow basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.14 Revenue recognition

3.14.1 Passenger and excess baggage revenue

Income from air ticket sales and service orders is recorded as unearned transportation revenue and recognized as revenue when the passenger redeem the air ticket with the Company. For passengers who redeem the services with other airlines, the Company recognizes revenue by the difference between the selling price charged by the Company and the amount billed to the Company by those performing airline.

Unused tickets sales are recognized as revenue by percentage estimation of unused ticket from statistics and historical data

Loyalty program

The Company has operated a Royal Orchid Plus ("ROP") frequent flyer program since year 1993 that provide travel awards to program member based on accumulated mileage to exchange accumulated mileage air ticket or other awards as specified condition. The Company calculates fair value of frequent flyer miles by average stand-alone selling price of air ticket redemption and fair value of other awards redemption, then weight by overall redemption. The Company recognizes the frequent flyer miles by the redemption estimation and deducts the revenue from passenger together with the unearned transportation revenue (Liabilies) and recognizes as the revenue from award redemption when the program member utilizes air ticket and service provide by the Company. For the breakage of ROP member will be recognized as revenue by the percentage breakage of the unredeemed calculated from the historical data and the Company's award redemption policy.

The fair value of air ticket award redemption is calculated from the average fare prize in each route divided by the number of miles redeemed for awards in that route then weighted by each route redemption. Fair value of other awards redemption is calculated from the selling price divided by the average number of miles redeemed for other awards as a value per mile of the Royal Orchid Plus.

3.14.2 Freight and mail revenue

Freight and mail revenue is recognized as revenue when the Company issues its Air Waybill and provides the freight and mail services. For freight carry by other air carriers will recognize the revenue by the difference between selling price and the contract amount charged by other carrier when the service is provided.

3.14.3 Revenue from other business units

Revenue from maintenance service is recognized as revenue over time of the services are provided. Revenue from ground and equipment service and warehouse service are recognized when services are provided. Revenue from catering service and supporting activities such as Duty free sale on board and THAI shop are recognized when the Company transfer the control of goods to the customer or delivers goods to the customer, excludes value-added tax. Revenue from dispatch services are recognized when services are provided.

3.14.4 Dividend income

Dividend received is recognized on the date the Group's right to receive the dividend.

3.14.5 Interest income and other income

Interest income and other income are recognized in the statements of comprehensive income on an accrual basis.

3.15 Expense recognition

Expenses are recognized on an accrual basis.

3.16 Finance costs

Finance costs consist of interest expense on borrowings and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statements of profit or loss and other comprehensive income using the effective interest method.

3.17 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets i.e. tablets and personal computers, small items such as office furniture and telephones. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the lease assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the new lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified or/and the lease modification is not accounted for as
 a separate lease, in which case the lease liability is remeasured based on the lease
 term of the modified lease by discounting the revised lease payments using a revised
 discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under Thai Accounting Standard 37 Provisions, Contingent Liabilities and Contingent Assets. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use assets is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

- 1. The Group applies Thai Accounting Standard 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, Plant and Equipment" policy.
- 2. Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Lease of aircraft and spare part" in profit or loss.
- 3. As a practical expedient, International Financial Reporting Standard 16 Leases permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

The Group as lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance lease or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

3.18 Income tax expense

Income tax expense for the year comprises of current income tax and deferred tax. Current income tax and deferred tax are recognized as income or expenses in the statements of comprehensive income except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

Current income tax is the expected tax payable or receivable derived from a computation of profit or loss using tax rates enacted and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized by calculated the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill in the consolidated financial statements; the initial recognition of assets or liabilities in a transaction in the consolidated financial statements that is not a business combination and that affects neither accounting nor taxable profit or loss; and the differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current income tax and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period when such a determination is made.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same taxation authority and the Company and its subsidiaries intend to settle its current tax assets and liabilities on a net basis.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Company recognizes deferred tax liabilities for all taxable temporary differences in the consolidated and separate financial statements.

3.19 Earnings (losses) per share

The calculations of basic earnings (losses) per share for the year are based on the profit (loss) for the year attributable to equity holders divided by the weighted average number of ordinary shares held by outsiders outstanding during the year. The calculations of diluted profit (loss) per share for the year are based on the weighted average number of ordinary shares on the assumption that all dilutive potential ordinary shares have been converted to ordinary shares.

3.20 Fair value measurements

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of the asset or liability as market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

4. JUDGEMENTS ON ACCOUNTING ESTIMATION AND KEY SOURCE OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with TFRS requires the Group's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

The interpretation of judgements on critical accounting estimation and significant risky assumptions which may cause future adjustment to assets and liabilities outstanding balances are as follows:

4.1 Impairment of assets

At the end of each reporting period, the Group will test for impairment of aircraft, rotable aircraft spare part and right-of-use asset when there is an indicator that the asset may be impaired. The Group and the Company recognize impairment loss when recoverable amount of asset is lower than carrying amount whereas, recoverable amount is the higher of fair value less cost to sale of asset or value in use.

The independent appraiser assesses fair value less cost to sale by desktop appraisal method adjusted by fair value of inflation 2% which is considered from information and maintenance record, including appraiser database. In case of there is no damage record, the aircraft is assumed to be in the good condition and meet the maintenance standard. The appraiser also considers the market condition and buying and selling record within 12 months, including other factors such as the aircraft usage period and the significant tools element for assessing its fair value.

The value in use of asset is calculated from expected future cash inflow using weighted average cost of capital as discount rate to present value.

The source of assumption using in the calculation consists of flight plan, estimated cost and related expenses. Such estimations are based on management's reasonable consideration of current events, which require management to exercise their judgement to reflect the best estimate at that time to forecast the future result. Accordingly, actual results may differ from this estimate.

Recognition of deferred tax assets associated with tax losses carried forward 4.2

The Group recognizes deferred tax assets for deductible temporary differences and unused tax losses when it is probable that the Group and the Company have sufficient future taxable profits to utilize the temporary differences and unused tax losses. For this purpose, the management is required to estimate the deferred tax assets that the Group should recognize, by considering the expected future taxable profits in each period.

The source of expected future taxable profit is calculated by an estimated future cash inflow which is consists of flight plan, expected cost and operating expense. Such estimates are based on management's reasonable consideration of current events, the actual result may differ from this estimate.

4.3 Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are calculated by an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group's considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related obligations. Additional information is disclosed in Note 23.

4.4 Allowance for obsolete and slow-moving inventories

The Group has provided allowance for obsolete and slow-moving inventories based on management's best estimate on net realizable value considering obsolete, damaged, or deteriorated inventories and analyzing the inventories aging at the end of each reporting period.

4.5 Incremental borrowing rate using for discount lease liability - The Group as the lessee

The Group could not determine the interest rate implicit in the lease. Therefore, the management is required to exercise judgement in estimating its incremental borrowing rate ("IBR") to discount lease liabilities. The IBR is the interest rate that the Group would have to pay for borrowing over a similar term, and with a similar security, the necessary fund to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

4.6 Market interest rate for discounting cash flows for the derecognition of financial liabilities.

The Group exercised judgment to use the market interest rate in discounting cash flows for the derecognition of financial liabilities to measure the fair value of each contract after debt restructuring under the rehabilitation plan. This market interest rate reflects the Company's current financial cost. The reference interest rate is adjusted with other factors that are comparable to the Company's risk, i.e., the remaining term of the contract, aviation industry risk adjusted by country risk and the difference between secured and unsecured loan risk.

4.7 Fair value appraisal of land

The Group's fair value of land is appraised by an independent appraiser using Market Approach method.

The sources of key assumptions used in the valuation are consisted of yield rate, inflation rate, estimates of incremental rental rate and occupancy rate, as well as other parameters such as the lease duration.

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4.8 Fair valuation of buildings and structures

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The fair value of the Company's buildings and structures was assessed by an independent appraiser using the Cost Approach method.

Independent building appraiser analyzed by using key principles which are cost estimation for the construction of a new replacement building in accordance with the construction price as of the appraisal date, minus the depreciation over the period of use of the property, as well as consider various factors that related to the assessment such as nature of legal rights, property characteristics, suitability of usage. Also, inflation market conditions and economic conditions affect the projected construction cost per unit which used in calculation of asset value. Physical deterioration of an asset depends on the structure of the asset, different environments, and usage, including building maintenance that affects the useful life of the building.

5. REHABILITATION PLANS

5.1. Essential parts of the business rehabilitation plan

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

Capital Restructuring

The capital restructuring can be summarized as follows:

- 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 share prescribed (a), in any case, the remaining newly issued ordinary share shall be allocated to Class 5 Financial institution Creditors assigned to receive residual proceeds from the disposal of aircraft, 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 exercising the right to convert the existing debt of the creditor under the business rehabilitation plan exceeding the newly issued ordinary share which can be allotted, the allocation and sale of the Company's newly issued ordinary share 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 share, the remaining share shall be further allocated.

- (b) To allot newly issued ordinary share, 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 a newly issued ordinary share under the following conditions:
 - To repay the outstanding principal of Class 4 Creditor for Baht 12,827,461,287 by conversion of this debt into the newly issued ordinary share, not exceeding 5,039,896,007 shares, at Baht 2.5452 per share.
 - To repay the outstanding principal of Class 5 Creditor, Class 6 Creditor and Class 18-31 Creditor at 24.50 percent of the principal of each creditor in accordance with the Final Debt Repayment Order, by the newly issued ordinary share, not exceeding 9,822,473,626 shares, at Baht 2.5452 per share.
- (c) To allot the newly issued ordinary share, 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 share to the existing shareholder as per their proportion of shares at the price that the Plan Administrator consider approve. However, the price must not be lower than Baht 2.5452 per share, in order to receive no less than Baht 25,000,000,000. 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). The sale of shares must be made to the existing shareholder for the amount not lower than 228,108,476 shares for maintaining the proportion of the existing shareholder to not be lower than 10 percent 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 share, or the existing creditor do not purchase it in the full amount, the remaining share shall be sold to people in the following order:

- 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 share from the allotment and sale to the existing shareholder, the remaining share 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 share to the new facility, debt-to-equity conversion, 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.

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5.1.2 Debt financing and capital mobilization, including source of funds and conditions of the debt and capital

The amendment of this part where the new facility amount is decreased to not exceeding Bath 25,000 million. The new facility 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.

Debt repayment of each class of the creditors 5.1.3

The Business Rehabilitation Plan classified 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 method, term, debt repayment period and related interest 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).

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 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 specified in the rehabilitation plan.

Debt Repayment Methods

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 means, 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 percent of each creditors' outstanding debt according to the final Debt Repayment Order to a 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 period 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 - 31 Creditors) by adding the interest at the rate of 0.25 percent 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 Plan which the Court already approved which are every ticket refund creditor will be repaid by March 31, 2024.

Business Rehabilitation Plan Completion

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The rehabilitation process of the Company shall be considered as completion upon the following:

- (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 is change in shareholders as specified condition stated in the business rehabilitation plan.

5.2 Implementation of the business rehabilitation plan

5.2.1 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 creditors' meeting held on May 19, 2021. The Company processed the adjustment of capital structure and debt restructuring by an Order 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 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 preadjusted 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 gain on debt restructuring in the statements 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 gain on debt restructuring in the statements of profit or loss and other comprehensive income.

- 5.2.1.1 Value of assets and liabilities recorded as at December 31, 2023 have been adjusted in accordance with the business rehabilitation plan as follow:
 - (1) The Company received an Order from the Official Receiver to pay debt to certain trade payables and other payables and certain loan creditors. The Company adjusted such trade payables and other payables and loan creditors according to principal debt, maturity date and interest rate in accordance with the business rehabilitation plan and an order from the Official Receiver (see Note 20), resulting the Company recognized loss from liabilities adjustment in accordance with an Order from the Official Receiver in amount of Baht 321 million, and recognized gain on derecognition of financial liabilities measured at amortized cost in amount of Baht 1,749 million for the substantial modification in value of liabilities as the recognition of new financial liabilities.
 - (2) The Company terminated the Declaration of Onerous Contracts of 7 aircrafts under the financial lease agreement and delivered 7 aircrafts to the lessor. The Company adjusted right-of-use asset, lease liabilities, payable under lease agreement and relevant expenses. As a result, the Company recognized gain on debt restructuring of Baht 2,528 million.

Gains (loss) on debt restructuring for the year ended December 31, 2023 in the consolidated and separate financial statements are as follow:

Unit: Million Baht

Gain on derecognition of financial liabilities measured at	
amortized cost (see Note 5.2.1.1 (1))	1,749
Loss on liabilities adjustment in accordance with an Order from	
the Official Receiver (see Note 5.2.1.1 (1))	(321)
Gain from termination of onerous contract (see Note 5.2.1.1 (2))	2,528
Total	3,956

- 5.2.1.2 Assets and liabilities recorded as at December 31, 2022 have been adjusted in accordance with the business rehabilitation plan as follow:
 - (1) The Company received an Order from the Official Receiver to pay debt to certain trade payables and other payables and certain loan creditors. The Company adjusted such trade payables and other payables and loan creditors according to principal debt, maturity date and interest rate in accordance with the business rehabilitation plan and an order from the Official Receiver, resulting the Company recognized gain from liabilities adjustment in accordance with an Order from the Official Receiver in amount of Baht 1,052 million, and recognized gain on derecognition of financial liabilities measured at amortized cost in amount of Baht 6,232 million for the substantial modification in value of liabilities as the recognition of new financial liabilities.

- (2) The Company adjusted the finance leases and operating leases by changing the rental rate, reference interest rate, and terms and conditions for payment schedule in accordance with amendment agreement with the lessor for 6 aircrafts under finance lease and 10 aircrafts under operating lease resulted in changing in value of right-of-use assets and lease liabilities (see Notes 14 and 19).
 - In addition, the Company adjusted maintenance reserve, security deposit and lease liabilities that incurred before September 14, 2020 for the aforementioned operating lease agreement and recognized loss on debt restructuring of Baht 475 million.
- (3) The Company terminated the Declaration of Onerous Contracts of 9 aircrafts under the financial lease agreement and delivered 5 aircrafts to the lessor. The Company adjusted right-of-use asset, lease liabilities, payable under lease agreement and relevant expenses. As a result, the Company recognized loss on debt restructuring of Baht 1,923 million.
- (4) The Company has adjusted the loan creditors and bond creditors according to principal debt, maturity date and interest rate in accordance with the business rehabilitation plan amendment as approved by the Central Bankruptcy Court (see Notes 5.1.3(2) and 5.1.3(3)). As a result, the Company recognized loss on debt restructuring of Baht 10,124 million.

Gains (loss) on debt restructuring for the year ended December 31, 2022 in the consolidated and separate financial statements are as follow:

Unit: Million Baht

6,232
1,052
(475)
(1,923)
(10,124)
(5,238)

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

For trade and other payables, loan creditors, shareholder creditors, aircraft lease creditors and aircraft finance lease creditors, the Company is in the debt's verification process with the Official Receiver and will be adjusted upon receiving an order from the Official Receiver. The Company's management is in the process to consider the impact to liabilities which may be changed when the debt verification with the Official Receiver is completed.

6. RELATED PARTIES TRANSACTIONS

Related person or related parties of the Company are defined as persons 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 person or related 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.

In considering each possible related person or parties' relationship, attention is directed to the substance of the relationship, not merely the legal form.

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

Relationships with related parties other than subsidiaries and associates as at December 31, 2023 are as follows:

	Name of entities	Type of business	Country of incorporation/nationality	Nature of relationships
1.	Ministry of Finance	Regulate the country's monetary policy	Thailand	Major shareholders
2.	Government Savings Bank	Commercial Bank	Thailand	Common shareholders
3.	Export-Import Bank of Thailand	Commercial Bank	Thailand	Common shareholders
4.	Islamic Bank of Thailand	Commercial Bank	Thailand	Common shareholders
5.	Krung Thai Bank Public Company Limited	Commercial Bank	Thailand	Common shareholders
6.	Thailand Post Company Limited	Postal Business	Thailand	Related party
7.	PTT Public Company Limited	Energy & Utilities	Thailand	Related party
8.	Tourism Authority of Thailand	Tourism	Thailand	Related party
9.	Airports of Thailand Public Company Limited	Airport of Thailand	Thailand	Related party
10.	MCOT Public Company Limited	Communication	Thailand	Related party
11.	Civil Aviation Training Center	Aviation Training	Thailand	Related party
12.	Aeronautical Radio of Thailand Ltd.	Air Traffic Control	Thailand	Related party
13.	National Telecom Public Company Limited	Telecommunications	Thailand	Related party

Significant transactions with related parties for the years ended December 31, were as follows:

Business Operations and Performance

e
ements
2022
1
2
255
3,391
3,375
39
-
21
4,304
26
22
1

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 and Finance.

Balances as at December 31, with related parties are as follows:

			Uni	t : Million Baht
	Consoli		Separ	
		financial statements financial statements		
	2023	2022	2023	2022
Trade and other current receivables - net				
Subsidiaries	-	-	10,640	11,203
Related parties	78	34	78	34
Total	78	34	10,718	11,237

Trade and other current receivables presented balances before deducted expected credit loss as at December 31, (see Note 8).

	Consol	idated	Unit : Million Bah Separate financial statements	
	financial s	tatements		
	2023	2022	2023	2022
Trade and other current payables				
(see Note 20)				
Subsidiaries	-	-	307	173
Associates	9	19	9	19
Related parties	82	86	82	86
Total	91	105	398	278
Trade and other non-current payables				
(see Note 20)				
Associates	19	17	19	17
Related parties	923	933	923	933
Total	942	950	942	950

Borrowings from related parties as at December 31 are consisted of:

			Unit	: Million Baht
	Consolidated		Separate	
	financial st	atements	financial s	tatements
	2023	2022	2023	2022
Short-term borrowings from related parties				
From domestic financial institution				
controlled by major shareholder	-	39	-	-
Long-term borrowings from related parties				
From foreign financial institution				
through major shareholder	12,584	11,722	12,584	11,722
From domestic financial institution				
controlled by major shareholder	12,348	12,639	12,348	12,639
Total long-term borrowings from related parties	24,932	24,361	24,932	24,361
Total	24,932	24,400	24,932	24,361
From foreign financial institution through major shareholder From domestic financial institution controlled by major shareholder Total long-term borrowings from related parties	12,348 24,932	12,639 24,361	12,348 24,932	12,639 24,361

On October 20, 2022, the Central Bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting the change in the debt repayment method to be paid by converting certain debt into ordinary shares according to the amendment of rehabilitation plan. Including the change in maturity date and interest rate of borrowing from related parties to be in accordance with the amendment of business rehabilitation plan (see Note 5.1.3). During the period ended December 31,2023, the Company repaid the principal of the balance of loans from related parties of Baht 454 million and the Company has no additional borrowing from related parties.

As at December 31, 2023, the Company has not adjusted outstanding debt to repay of the borrowing from foreign financial institution through major shareholder and borrowing from domestic financial institution controlled by major shareholder which the Company received an order from the Official Receiver. However, the remaining borrowings from domestic financial institution controlled by major shareholder are in the process of debt verification with the Official Receiver.

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Unit: Million Baht Consolidated and Senavated Financial Statements

Corporate Governance

	Consolidated and Separated Financial Statements					
	Maturi	ty Date	Intere	est rate	Amount	
			(% per	annum)		
	2023	2022	2023	2022	2023	2022
Current Portion						
From domestic financial institution		June 15,				
controlled by the major shareholder (3)	-	2023	5.75	5.75	-	454
Non-current Liabilities						
From domestic financial institution	December 30,	December 30,				
controlled by the major shareholder (1)	2035	2035	1.00 - 1.50	1.00 - 1.50	10,769	10,746
From foreign financial institution	December 30,	December 30,				
through major shareholder (2)	2024	2024	1.50	1.50	12,584	11,722
From domestic financial institution	December 30,	December 30,				
controlled by the major shareholder (4)	2035	2035	1.00 - 1.50	1.00 - 1.50	1,579	1,439
Total				_	24,932	24,361

- On October 20, 2022, the Central Bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting the change in debt repayment method of long-term borrowing from related parties to be paid by converting certain debt into ordinary shares according to the amendment of business rehabilitation plan (see Note 5.1.3). Therefore, as at December 31, 2023, the Company adjusted the outstanding debt from certain financial institutions according to the order from the Official Receiver and remeasure financial liabilities with effective interest rates.
- Borrowings from foreign financial institution through major shareholder was the borrowing that the Ministry of Finance entered into the borrowing agreements with foreign financial institution and the Ministry of Finance had given such borrowing to the Company. On October 20, 2022, the Central Bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting the change in debt repayment method of such long-term loan to be paid by converting whole of debt into ordinary shares according to the amendment of business rehabilitation plan (see Note 5.1.3). Therefore, as at December 31, 2023, the Company adjusted the outstanding debt according to the order from the Official Receiver and remeasure financial liabilities by using discounted cashflow method with market rates.
- Borrowings from domestic financial institution controlled by the major shareholder was the borrowings in Yen currency, having the requirement to register the aircraft (A330-300 2 aircrafts) as business collateral, with the total credit of Yen 4,200 million as a repayment collateral.
 - On October 20, 2022, the Central Bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting in adding the debt repayment means. The Company have additional right to repay the debt from cashflow which received from the business operation. This will allow the Company to return the collateralized aircraft for using in business operation (see Note 5.1.3 (1)). Later, the Company paid the outstanding principal on January 4, 2023 at an interest rate 5.75 percent.
- On October 20, 2022, the Central Bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting the change in debt repayment method of long-term borrowing from domestic financial institution controlled by the major shareholder to be paid by converting certain debt into ordinary shares according to the amendment of business rehabilitation plan (see Note 5.1.3 (3)). Therefore, as at December 31, 2023, the Company adjusted the outstanding debt according to the order from the Official Receiver and remeasure financial liabilities by using discounted cashflow method with market rates.

6.3 Significant agreements with related parties

Leasing agreement and license to operate business agreement

The Company entered into leasing agreement and license to operate business agreement with Airports of Thailand Public Company Limited under the price and conditions stated in the agreements (see Notes 13 and 36.3).

6.4 Restructuring of business operation in aviation business

During the year 2023, Creditor's Committee approved the roadmap of restructuring of business operation in aviation business. As the part of this restructuring, the Company received A320-200 20 aircrafts from its subsidiaries and recorded long-term liabilities for aircraft repair and maintenance, other non-current liability and other related expenses, totaling Baht 9,013 million which presented as loss from restructuring of business operation in aviation business in separate statements of profit or loss and other comprehensive income for the year ended December 31, 2023.

7. ADDITIONAL CASH FLOWS INFORMATION

7.1 Cash and Cash Equivalents

Cash and cash equivalents as at December 31, consist of:

	financial sta	Unit : Milli Consolidated Separate financial statements financial statement 2023 2022 2023 20		
Cash on hand - Domestic	11	8	9	6
Cash on hand - Foreign Cash at banks - Domestic Cash at banks - Foreign	18,259 29,755	3 13,492 21,057	17,875 29,561	13,023 21,031
Bill of exchange and time deposit	4,944	<u>-</u>	4,944	
Total cash and cash equivalents Less Credit loss allowance Total cash and cash equivalents	52,972 (33) 52,939	34,562 (22) 34,540	52,392 (33) 52,359	34,064 (22) 34,042

In addition, As at December 31, 2023, the company had the bill of exchange, time deposits, and debentures with maturity period more than 3 months and not over 1 year in amount of Baht 14,191 million and Bath 14,091 million which presented as other current financial assets in the consolidated and separate financial statements, respectively (see Note 10).

7.2 Non-cash items for the years ended December 31, are as follows:

Tron cash hems for the years ended Deec	Consoli	idated		
	2023	2022	2023	2022
Payable for purchase of assets	1,212	1,212	1,209	1,212
Lease payables	4,682	(529)	4,682	(529)
Offsetting maintenance reserves and other payable				
according to amendment lease agreement	-	1,892	-	1,892
Classify accrued employee benefits	3	29	3	29

Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities, including cash flow items and non-cash flow items that are classified as financing activities in the statements of cash flow, are as follows:

Unit : Million Baht

	Consolidated financial statements						
As at December 31, 2023	Balance	Cash flows	Changes from non-cash items			Balance	
	as at	from	Exchange	Increase	Others	as at	
	January 1,	financing	rate			December 31,	
	2023	activities				2023	
Short-term borrowings from							
related parties	39	(39)	-	-	-	-	
Long-term borrowings from							
financial institutions	7,718	-	-	-	681(4)	8,399	
Long-term borrowings from							
related parties	24,361	(454)	-	-	1,025(4)	24,932	
Lease liabilities	87,121	(8,947)	(1,424)	8,875	$(1,364)^{(3)}$	84,261	
Debentures	42,765				4,061(4)	46,826	
Total	162,004	(9,440)	(1,424)	8,875	4,403	164,418	

Unit: Million Baht

Consolidated financial statements

As at December 31, 2022	Balance	Cash flows	Chang	Changes from non-cash items		
	as at	from	Exchange	Increase	Others	as at
	January 1,	financing	rate			December 31,
	2022	activities				2022
Short-term borrowings from						
related parties	-	39	-	-	-	39
Long-term borrowings from						
financial institutions	10,575	-	-	-	$(2,857)^{(2)(4)}$	7,718
Long-term borrowings from						
related parties	18,559	-	-	-	5,802(1)(2)(4)	24,361
Lease liabilities	75,201	(1,803)	1,200	7,592	4,931(3)	87,121
Debentures	35,539				7,226(2)(4)	42,765
Total	139,874	(1,764)	1,200	7,592	15,102	162,004

⁽¹⁾ Changing from modification of financial liabilities measured at amortized cost (see Note 5.1.3)

⁽²⁾ Changing from derecognition of financial liabilities measured at amortized cost (see Note 5.1.3)

Classification of lease liabilities payable, adjustment of other lease liabilities and terminate of contract (see Note 19).

Recognition of financial cost measured at amortized cost.

Unit: Million Baht

Senarate	financial	statements

As at December 31, 2023	Balance	Cash flows	Change	s from non-cash	items	Balance
	as at	from	Exchange	Increased	Others	as at
	January 1,	financing	rate			December 31,
	2023	activities				2023
Long-term borrowings from						
financial institutions	7,718	-	-	-	681(4)	8,399
Long-term borrowings from						
related parties	24,361	(454)	-	-	1,025(4)	24,932
Lease liabilities	87,117	(8,938)	(1,424)	8,863	$(1,364)^{(3)}$	84,254
Debentures	42,765				4,061(4)	46,826
Total	161,961	(9,392)	(1,424)	8,863	4,403	164,411

Unit: Million Baht

Separate financial statements

			Separate iman	ciai statements		
As at December 31, 2022	Balance	Cash flows	Chang	es from non-cas	h items	Balance
	as at	from	Exchange	Increased	Others	as at
	January 1,	financing	rate			December 31,
	2022	activities				2022
Long-term borrowings from						
financial institutions	10,575	-	-	-	$(2,857)^{(2)(4)}$	7,718
Long-term borrowings from						
related parties	18,559	-	-	-	5,802(1)(2)(4)	24,361
Lease liabilities	75,187	(1,792)	1,200	7,590	$4,932^{(3)}$	87,117
Debentures	35,539				7,226(2)(4)	42,765
Total	139,860	(1,792)	1,200	7,590	15,103	161,961

 $^{^{(1)}}$ Changing from modification of financial liabilities measured at amortized cost (see Note 5.1.3)

 $^{^{(2)}}$ Changing from derecognition of financial liabilities measured at amortized cost (see Note 5.1.3)

⁽³⁾ Classification of lease liabilities payable, adjustment of other lease liabilities and terminate of contract (see Note 19).

 $^{^{(4)}}$ Recognition of financial cost measured at amortized cost.

8. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, are as follows:

	Consolid	الدماءا	_	t : Million Baht
	0 0 0 0 0		Separa	
	financial sta		financial sta	
	2023	2022	2023	2022
Trade receivables				
Related parties (see Note 6.2)	78	34	2,958	2,576
Other parties	12,971	11,180	12,686	10,582
Less Credit loss allowance	(1,647)	(1,555)	(4,480)	(3,825)
Total trade receivables	11,402	9,659	11,164	9,333
Other receivables				
Related parties (see Note 6.2)	-	-	7,760	8,661
Other parties	2,935	1,978	2,484	1,555
Less Credit loss allowance	(181)	(186)	(7,663)	(8,531)
Total other receivables	2,754	1,792	2,581	1,685
	14,156	11,451	13,745	11,018
Current lease receivable	-	-	-	616
Accrued income	1,652	969	1,706	1,008
Receivable - the Revenue Department	325	207	326	207
Prepaid expenses and deposits	3,058	4,328	2,890	4,191
Total	19,191	16,955	18,667	17,040

Business Operations and Performance

As at December 31, 2023 and 2022, the Company recognized Expected Credit Loss (ECL) in separate financial statements in accordance with TFRS 9. Most of the expected credit loss were credit loss of trade and other current receivables of Thai Smile Airways Company Limited, a subsidiary, of Baht 10,354 million and Baht 10,654 million, respectively. In addition, the Company recognized expected credit loss for other receivables in amount of Baht 1,789 million and 1,702 million, respectively.

Aging analysis for trade receivables, consisted of the following:

	Consolic financial sta		Uni Separa financial stat	
	2023	2022	2023	2022
Related parties				
Within credit terms	4	3	300	236
Overdue:				
Less than 6 months	22	14	530	314
6 - 12 months	22	3	468	510
1 - 2 years	16	9	723	141
Over 2 years	14	5	937	1,375
	78	34	2,958	2,576
Less Credit loss allowance	(31)	(13)	(2,904)	(2,321)
	47	21	54	255
Other parties				
Within credit terms	8,763	6,472	8,531	5,931
Overdue:				
Less than 6 months	2,059	2,987	2,047	2,972
6 - 12 months	376	137	376	137
1 - 2 years	362	167	362	167
Over 2 years	1,411	1,417	1,370	1,375
	12,971	11,180	12,686	10,582
Less Credit loss allowance	(1,616)	(1,542)	(1,576)	(1,504)
	11,355	9,638	11,110	9,078
Total	11,402	9,659	11,164	9,333

The following table shows the movement in lifetime ECL that has been recognized for trade receivables in accordance with the simplified approach set out in TFRS 9.

	Consolidated statem		Unit Separ financial sta	
	2023	2022	2023	2022
Balance as at January 1,	1,555	1,465	3,825	2,927
Net remeasurement of credit loss allowance	92	90	655	898
Balance as at December 31,	1,647	1,555	4,480	3,825

9. INVENTORIES

Inventories as at December 31, consist of the following:

			Unit	: Million Baht
	Consol	idated	Separa	ate
	financial s	tatements	financial sta	tements
	2023	2022	2023	2022
Aircraft spare parts	3,968	3,537	3,937	3,537
Slow moving aircraft spare parts and held for sale	4,673	4,734	4,673	4,734
Vehicle spare parts and ground support equipment	316	295	316	295
Fuel and oil for aircraft	140	235	140	235
Inventories for sales	315	230	314	227
Cabin and catering supplies	232	175	232	164
Supplies and other consumables	17	15	17	15
Inventories and spare parts for flight simulator				
and other supplies	84	99	83	92
Inventories and spare parts in transit	296	203	296	203
Obsolete and damaged inventories for disposal	24	28	24	28
Total inventories and supplies	10,065	9,551	10,032	9,530
<u>Less</u> Allowance for diminution in value of inventories	(4,811)	(5,102)	(4,811)	(5,102)
Total inventories	5,254	4,449	5,221	4,428

For the years ended December 31, 2023 and 2022, the Company reversed of loss from allowance for diminution in value of inventories in the consolidated and separate statements of profit or loss and other comprehensive income, consist of the following:

Unit: Million Baht
Consolidated and Separate
financial statements
2023 2022

(291) -

(Reversal) Loss on diminution in value of inventories

OTHER-CURRENT FINANCIAL ASSETS **10.**

Other-current assets as at December 31, are as follows:

		Unit : Separ financial sta	
2023	2022	2023	2022
9,935	-	9,935	-
4,006	-	3,906	-
250		250	
14,191	-	14,091	_
	financial st 2023 9,935 4,006 250	9,935 - 4,006 - 250 -	Consolidated financial statements Separ financial statements 2023 2022 2023 9,935 - 9,935 4,006 - 3,906 250 - 250

Business Operations and Performance

11. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Non-current assets classified as held for sale as at December 31, are as follows:

					Uı	nit : Million Baht
		Consolida	ited and Separat	e financial st	atements	
As at December 31, 2023	Balance as at January 1, 2023	Addition	Impairment	Disposal	Transfer	Balance as at December 31, 2023
Aircraft	2,447	1,386	-	(1,730)	-	2,103
Engine	56	13	-	(44)	(25)	-
Land	244	-	-	-	(244)	-
Other assets	-	9	-	(9)	-	-
Total	2,747	1,408	-	(1,783)	(269)	2,103

Unit: Million Baht Consolidated and Separate financial statements As at December 31, 2022 Balance as at Addition **Impairment** Disposal Transfer Balance as at January 1, December 31, 2022 2022 Aircraft 3,110 124 648 (711)(724)2,447 56 Engine 123 21 (12)(76)1,081 Land 244 (739)(98)Other assets 10 (9) (8) 4,321 155 636 (1,535)(830)2,747 **Total**

Significant movement during the year 2023 as follows:

- During the year ended December 31, 2023, the Company classified 12 aircrafts (B777-200 6 aircrafts and B777-300 6 aircrafts), spare engines and other assets as non-current assets classified held for sale with net book values of Baht 1,386 million and Baht 13 million and Baht 9 million, respectively, in consolidated and separate financial statements.
- During the year ended December 31, 2023, the Company sold 9 aircrafts (B747-400 6 aircrafts, B737-400 1 aircraft and A340-600 2 aircrafts), spare engines and other assets to the buyer (other parties) with a net book value of Baht 1,730 million, Baht 44 million and Baht 9 million, respectively, in consolidated and separate financial statements.
- As at December 31, 2023, the Company reclassified spare engines from non-current assets classified held for sale to other non-current assets (see Note 17.1) with net book values of Baht 25 million.
- As at December 31, 2023, the Company reclassified land and office building in England from non-current assets classified held for sale to other non-current assets (see Note 17.1) with net book values of Baht 244 million.

> Financial Statement

12. INVESTMENTS

12.1 Investments in associates

Investments in associates as at December 31, and dividends received from those investments for the years ended which are recorded by equity method for consolidated financial statements are as follows:

									Unit	Unit: Million Baht
							Consolidated	idated	Separate	rate
	Country of	Nature of	Percentage of shareholding	shareholding	Paid-up capital	capital	financial statements	tatements	financial statements	atements
	incorporation	business	(%)				Equity method	nethod	Cost method - net	hod - net
Associates			2023	2022	2023	2022	2023	2022	2023	2022
Donmuang International	Thailand	Hotel business								
Airport Hotel Company										
Limited			40.00	40.00	120	120	89	49	48	48
Phuket Air Catering	Thailand	Produce food and								
Company Limited		provide products								
		for airlines	30.00	30.00	100	100	161	143	30	30
Suvarnabhumi Airport	Thailand	Hotel business								
Hotel Company										
Limited			30.00	30.00	1,018	1,018	346	319	305	305
Total							575	511	383	383

12.2 Investments in subsidiaries

Investments in subsidiaries recognized by cost method in the separate financial statements and dividend received for the years ended December 31, are as follows:

Unit: Million Baht

								Separa	Separate financial statements	atements				
	Country of	Country of Nature of business	Percent	Percentage of	Paid-up capital	capital	Cost Method	ethod	Allowance for	ce for	Cost Method - net	nod - net	Dividend income	ncome
	incorporation		Shareholding (%)	ling (%)					impairment	ment				
Subsidiaries			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Thai-Amadeus	Thailand	Integrated travel												
Southeast Asia		information												
Company Limited		technology service	55.00	55.00	15	15	∞	∞			∞	∞	16	43
WingSpan Services	Thailand	Specialized												
Company Limited		personnel services												
		for companies	49.00	49.00	2	7	1	1			-	1		
Thai Flight Training	Thailand	Training service												
Company Limited		aviation	49.00	49.00	2	7	1	1			-	1	1	
Thai Smile Airways	Thailand	Air transportation												
Company Limited (1)		services	100.00	100.00	1,800	1,800	1,800	1,800	(1,800)	(1,800)				
Total							1,810	1,810	(1,800)	(1,800)	10	10	17	43

The Company assessed as there had the impairment indicator in investment in Thai Smile Airways Company Limited and had the recoverable amount of such investment was less than net carrying As at December 31, 2023 and 2022, the Company had assessed the performance of Thai Smile Airways Company Limited which continuously had accumulated loss and capital deficiency. amount. Therefore, the Company recognized an allowance for impairment of such investment of Baht 1,800 million in the statements of profit or loss and other comprehensive income.

2023

2022

Million Baht

Million Baht

13. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, consisted of the following:

Business Operations and Performance

					it : Million Baht
			ited financial s		
As at December 31, 2023	Balance	Increase	Decrease	Transfer in	Balance
	as at			(Transfer out)	as at
	January 1, 2023				December 31, 2023
Cost	2020				2020
Lands	9,570	_	-	-	9,570
Buildings	1,714	_	_	-	1,714
Building improvement	4,333	-	(12)	(65)	4,256
Building under lease agreement	8,727	-	- ` '	<u>-</u> ` ´	8,727
Aircrafts	144,710	-	(672)	(47,732)	96,306
Aircraft improvement	9,734	-	(418)	-	9,316
Rotable aircraft's spare parts	35,950	688	(1,654)	4,187	39,171
Tools, plant and equipment	28,387	104	(9)	(1,492)	26,990
Total cost	243,125	792	(2,765)	(45,102)	196,050
Accumulated depreciation					
Buildings	(88)	(89)	_	-	(177)
Building improvement	(3,912)	(67)	8	83	(3,888)
Building under lease agreement	(5,881)	(205)	-	-	(6,086)
Aircrafts	(96,227)	(2,440)	643	44,075	(53,949)
Aircraft improvement	(7,333)	(564)	418	-	(7,479)
Rotable aircraft's spare parts	(25,465)	(1,185)	696	212	(25,742)
Tools, plant and equipment	(27,100)	(513)	8	1,571	(26,034)
Total accumulated depreciation	(166,006)	(5,063)	1,773	45,941	(123,355)
Assets under installation	437	4,376	- 1,775	(4,708)	105
Less Allowance for impairment	(31,587)	(77)	958	2,485	(28,221)
Total property, plant and equipment	45,969	(///		2,103	44,579
As at December 31, 2022	Balance	Consolida Increase	ited financial s Decrease	Transfer in	Balance
	as at			(Transfer out)	as at
	January 1, 2022				December 31, 2022
Cost	2022				2022
Lands	9,570	_	-	-	9,570
Buildings	1,714	-	-	-	1,714
Building improvement	4,657	1	(120)	(205)	4,333
Building under lease agreement	8,753	-	(26)	-	8,727
Aircrafts	99,366	182	(518)	45,680	144,710
Aircraft improvement	14,097	-	-	(4,363)	9,734
Rotable aircraft's spare parts	36,635	217	(216)	(686)	35,950
Tools, plant and equipment	29,854	26	(179)	(1,314)	28,387
Total cost	204,646	426	(1,059)	39,112	243,125
Accumulated depreciation					
Buildings	-	(88)	-	-	(88)
Building improvement	(4,184)	(89)	120	241	(3,912)
Building under lease agreement	(5,701)	(205)	25	-	(5,881)
Aircrafts	(74,748)	(545)	509	(21,443)	(96,227)
Aircraft improvement	(10,739)	(699)	-	4,105	(7,333)
Rotable aircraft's spare parts	(25,218)	(985)	139	599	(25,465)
Tools, plant and equipment	(28,022)	(627)	180	1,369	(27,100)
Total accumulated depreciation	(148,612)	(3,238)	973	(15,129)	(166,006)
Assets under installation	181	369	-	(113)	437
Less Allowance for impairment	(21,722)	(13)	7,519	(17,371)	(31,587)
Total property, plant and equipment	34,493		- /		45,969
1 1 7/1 1					
Depreciation for the years ended December 31,					

П	nit	Million	Raht
u	ши	MINIMUM	Dani

					it : Million Baht		
	Separate financial statements						
As at December 31, 2023	Balance	Increase	Decrease	Transfer in	Balance		
	as at			(Transfer out)	as at		
	January 1,				December 31,		
	2023				2023		
Cost							
Lands	9,570	-	-	-	9,570		
Buildings	1,714	-	-	-	1,714		
Building improvement	4,289	-	(12)	(65)	4,212		
Building under lease agreement	8,727	-	-	-	8,727		
Aircrafts	144,710	-	(673)	(47,732)	96,305		
Aircraft improvement	9,734	-	(418)	-	9,316		
Rotable aircraft's spare parts	35,950	673	(1,654)	4,187	39,156		
Tools, plant and equipment	28,280	91	(5)	(1,499)	26,867		
Total cost	242,974	764	(2,762)	(45,109)	195,867		
Accumulated depreciation							
Buildings	(88)	(88)	-	-	(176)		
Building improvement	(3,871)	(65)	8	83	(3,845)		
Building under lease agreement	(5,881)	(205)	-	-	(6,086)		
Aircrafts	(96,227)	(2,440)	643	44,075	(53,949)		
Aircraft improvement	(7,333)	(564)	418	=	(7,479)		
Rotable aircraft's spare parts	(25,465)	(1,139)	696	212	(25,696)		
Tools, plant and equipment	(27,034)	(506)	5	1,571	(25,964)		
Total accumulated depreciation	(165,899)	(5,007)	1,770	45,941	(123,195)		
Assets under installation	430	4,376	-	(4,701)	105		
<u>Less</u> Allowance for impairment	(31,587)	(77)	958	2,485	(28,221)		
Total property, plant and equipment	45,918				44,556		
				Un	it : Million Baht		
		Separa	te financial sta	atements			
As at December 31, 2022	Balance	Increase	Decrease	Transfer in	Balance		

(Transfer out) as at as at December 31, January 1, 2022 2022 Cost 9,570 9,570 Lands Buildings 1,714 1,714 (205) (120)4,289 Building improvement 4,614 Building under lease agreement 8,753 (26)8,727 Aircrafts 99,366 182 (518)45,680 144,710 (4,363)9,734 Aircraft improvement 14,097 217 Rotable aircraft's spare parts 36,635 (216)(686)35,950 29,768 (1,313)28,280 Tools, plant and equipment (178)Total cost 204,517 402 (1,058)39,113 242,974 Accumulated depreciation Buildings (88)(88)Building improvement (4,146)(85)120 240 (3,871)(5,701)(205) 25 (5,881)Building under lease agreement Aircrafts (74,748)(545)509 (21,443)(96,227) Aircraft improvement (10,738)(699)4,104 (7,333)Rotable aircraft's spare parts (25,219)(985)139 600 (25,465)(27,959)(621) 179 1,367 (27,034) Tools, plant and equipment Total accumulated depreciation (148,511) (3,228)972 (15,132)(165,899) Assets under installation 159 364 (93)430 (21,722)(13) 7,519 (17,371) (31,587) Less Allowance for impairment Total property, plant and equipment 34,443 45,918 Depreciation for the years ended December 31, 5,007 2023 Million Baht 2022 3,228 Million Baht

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Statement

As at December 31, 2023, the Company had 77 aircrafts in operation, consisting of 15 Company's aircrafts which presented as property, plant and equipment, and 62 aircrafts under lease agreements which presented as right-of-used assets (see Note 14).

As at December 31, 2022, the Company had 86 aircrafts in operation, consisting of 27 Company's aircrafts which presented as property, plant and equipment, and 59 aircrafts under lease agreements which presented as right-of-used assets (see Note 14).

As at December 31, 2023 and 2022, property, plant and equipment included the building on leased land which were leased from Airports of Thailand Public Company Limited ("AOT") at Suvarnabhumi Airport with the carrying amount of Baht 2,630 million and Baht 2,835 million, respectively, with a lease term of 30 years starting from September 28, 2006 to September 27, 2036 and the lessor will renew the contract period for 4 years from September 28, 2036 to September 27, 2040. At the end of the contract period, the ownership of the buildings and their component parts will be transferred to the Ministry of Finance. Moreover, the Company had building on leased land which are leased from Airports of Thailand Public Company Limited at Don Mueang Airport, which were fully depreciated, with a lease term of 3 years starting from August 17, 2023 to August 16, 2026. At the end of the contract period, the ownership of the buildings and their component parts will be transferred to the Ministry of Finance (see Notes 6.3 and 36.3).

The Company did not adjust fair value on buildings which have been constructed under lease agreement with Airports of Thailand Public Company Limited ("AOT") on the space at Suvarnabhumi and Don Mueang Airports which the carrying amount of building is Baht 2,630 million due to the ownership on such buildings have been transferred to the Ministry of Finance because the Company ended status as a state-owned enterprise in accordance with The Law on Budgeting Method as specific requirement in lease agreement. However, the Company still has the right of use such buildings and structure in its operations until the lease agreements expire or terminate.

For the year ended December 31, 2023, the Company recorded an impairment loss of relating of rotable aircraft's spare parts of Baht 77 million (see Note 27).

For the year ended December 31, 2022, the Company recorded an impairment loss of relating of rotable aircraft's spare parts in amount of Baht 13 million, and the Company reversed impairment loss totaling Baht 7,519 million which consisted of the reversal of the impairment loss on aircraft amounting Baht 6,459 million and the reversal of the impairment loss on engine spare parts amounting to Baht 1,060 million. (see Note 27).

As at December 31, 2023 and 2022, the Group's certain buildings and equipment have been fully depreciated but such building and equipment were still being used. The cost of those assets amounted to Baht 29,437 million and Baht 31,227 million, respectively.

Million Baht

6,589

14. RIGHT-OF-USE ASSETS

2022

Right-of-use assets as at December 31, consists of the following:

		Camaa	lidated financial s		nit : Million Bah
As at December 31, 2023	Balance	Uncrease	Decrease	Adjustment/	Balance
As at December 31, 2023	as at	increase	Decrease	Transfer	as at
	January 1,			Tiungiei	December 31,
	2023				2023
Cost					
Land and Buildings	5,783	989	(312)	(2)	6,458
Aircrafts	97,309	8,271	(6,585)	1,538	100,533
Equipment	99	31	(26)	-	104
Total cost	103,191	9,291	(6,923)	1,536	107,095
Accumulated depreciation					
Land and Buildings	(1,607)	(567)	272	(14)	(1,916
Aircrafts	(37,315)	(5,688)	2,955	-	(40,048
Equipment	(84)	(18)	25	(6)	(83
Total accumulated depreciation	(39,006)	(6,273)	3,252	(20)	(42,047
Less Allowance for impairment	(2,316)	-	2,316	-	-
Total Right-of-use assets	61,869				65,048
As at December 31, 2022	Balance as at	Increase	Decrease	Adjustment/ Transfer	Balance as at
	January 1, 2022				December 31, 2022
Cost	2022				2022
Land and Buildings	5,610	491	(298)	(20)	5,783
Aircrafts	152,790	7,328	(25,359)	(37,450)	97,309
Equipment	103	-	(3)	(1)	99
Total cost	158,503	7,819	(25,660)	(37,471)	103,191
Accumulated depreciation					
Land and Buildings	(1,288)	(498)	179	-	(1,607
Aircrafts	(61,328)	(6,071)	11,547	18,537	(37,315
Equipment	(66)	(20)	2	-	(84
Total accumulated depreciation	(62,682)	(6,589)	11,728	18,537	(39,006
<u>Less</u> Allowance for impairment	(26,169)		11,506	12,347	(2,316
Total Right-of-use assets	69,652				61,869
Depreciation for the years ended Dece	mber 31.				

Separate financial statements

	Separate illianciai statements						
As at December 31, 2023	Balance as at January 1, 2023	Increase	Decrease	Adjustment/ Transfer	Balance as at December 31, 2023		
Cost							
Land and Buildings	5,752	983	(282)	(3)	6,450		
Aircrafts	88,937	8,271	(6,564)	10,003	100,647		
Equipment	77	26	(15)	-	88		
Total cost	94,766	9,280	(6,861)	10,000	107,185		
Accumulated depreciation							
Land and Buildings	(1,590)	(564)	255	(14)	(1,913)		
Aircrafts	(34,501)	(5,113)	2,955	(3,504)	(40,163)		
Equipment	(64)	(12)	15	(6)	(67)		
Total accumulated depreciation	(36,155)	(5,689)	3,225	(3,524)	(42,143)		
Less Allowance for impairment	(2,316)	-	2,316		-		
Total Right-of-use assets	56,295				65,042		

Business Operations and Performance

				Un	it : Million Baht			
	Separate financial statements							
As at December 31, 2022	Balance	Increase	Decrease	Adjustment/	Balance			
	as at			Transfer	as at			
	January 1, 2022				December 31, 2022			
Cost								
Land and Buildings	5,579	491	(298)	(20)	5,752			
Aircrafts	143,039	7,328	(25,359)	(36,071)	88,937			
Equipment	81	-	(3)	(1)	77			
Total cost	148,699	7,819	(25,660)	(36,092)	94,766			
Accumulated depreciation								
Land and Buildings	(1,269)	(488)	167	-	(1,590)			
Aircrafts	(58,883)	(4,794)	11,547	17,629	(34,501)			
Equipment	(52)	(14)	2	-	(64)			
Total accumulated depreciation	(60,204)	(5,296)	11,716	17,629	(36,155)			
Less Allowance for impairment	(26,169)	-	11,506	12,347	(2,316)			
Total Right-of-use assets	62,326				56,295			
Depreciation for the years ended December 31	,							
2023	-			Million Baht	5,689			
2022				Million Baht	5,296			

As at December 31, 2023, the Company adjusted right-of-use assets according to restructuring of business operation in aviation business by transferring right of A320-200 15 aircrafts from lessee amounting to Baht 4,960 million (see Note 6.4) and adjusted right-of-use assets by lease liabilities remeasurement from changing in variable lease payments amounting to Baht 1,536 million in consolidated financial statements and separate financial statements.

As at December 31, 2022, the Company adjusted right-of-use assets according to settlement agreement of 4 A380 aircrafts with lessors amounting to Baht 30,116 million and adjusted right-of-use assets by lease liabilities remeasurement from changing in variable lease payments amounting to Baht 5,955 million in consolidated financial statements and separate financial statements.

During the years ended December 31, 2022 the Company reversed impairment loss of right-of-use assets in the amount of Baht 1,360 million, respectively in statements of profit or loss and other comprehensive income (see Note 27).

During the years ended December 31, 2023 and 2022, the Company adjusted allowance for impairment from onerous contract termination in the amount of Baht 1,293 and 10,146 million, respectively (see Note 5.2.1).

Revenues and expenses related to lease agreements for the years ended December 31, are as follows:

	Consolidated financial statements		Unit : Million Bah Separate financial statements	
	2023	2022	2023	2022
Amounts recognized in profit or loss				
Interest expense relating to lease liabilities	4,987	4,023	4,986	4,023
Expense relating to short-term leases	869	279	866	275
Expense relating to leases of low value assets	1	1	1	1
Expense relating to variable lease payments not included				
in the measurement of the lease liability	2,967	5,227	2,908	5,140
Income from sub-lease of right-of-use assets	-	-	160	214

For the years ended December 31, 2023 and 2022, the total cash outflow for leases amount is equaled to Baht 16,832 million and Baht 10,955 million, respectively.

15. DEFERRED TAXES ASSETS

Deferred tax assets as at December 31, consist of the following:

				t : Million Baht
As at December 31, 2023	As at January 1, 2023	Consolidated and Recognized in profit or loss	financial statements Recognized in other comprehensive income	As at December 31, 2023
Deferred taxes assets	19,548	12,959	49	32,556
Deferred taxes liabilities	(9,949)	(11,614)	2	(21,561)
Net Deferred taxes assets	9,599	1,345	51	10,995
A 4 D 1 21 2022			_	t : Million Baht
As at December 31, 2022	As at January 1, 2022	Recognized in profit or loss	financial statements Recognized in other comprehensive income	As at December 31, 2022
Deferred taxes assets	20,583	(921)	(114)	19,548
Deferred taxes liabilities	(12,308)	2,362	(3)	(9,949)
Net Deferred taxes assets	8,275	1,441	(117)	9,599
			_	t : Million Baht
As at December 31, 2023		_	ancial statements	
	As at	Recognized in	Recognized in other	As at
	January 1, 2023	profit or loss	comprehensive income	December 31, 2023
Deferred taxes assets	19,541	12,959	49	32,549
Deferred taxes liabilities	(9,949)	(11,614)	2	(21,561)
Net Deferred taxes assets	9,592	1,345	51	10,988
				t : Million Baht
As at December 31, 2022		-	ancial statements	
	As at	Recognized in	Recognized in other	As at
	January 1, 2022	profit or loss	comprehensive income	December 31, 2022
Deferred taxes assets	20,567	(912)	(114)	19,541
Deferred taxes liabilities	(12,308)	2,362	(3)	(9,949)
	(,500)	-,- v -	(5)	(- ,- ,-)
Net Deferred taxes assets	8,259	1,450	(117)	9,592

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Corporate Governance

As at December 31, 2023, the Group has net deferred taxes assets in the amount of Baht 10,995 million in the consolidated financial statements due to the year 2023, the Group recognized deferred taxes assets in the amount of Baht 13,008 million in the consolidated statements of profit or loss by Baht 12,959 million, causing from changes in the contribution to provident fund and pension fund, depreciation of assets, lease liabilities, provision for employee benefit obligations and tax losses carried forward and recognized in the consolidated statements of other comprehensive income by Baht 49 million from changes in actuarial assumption of provision for employee benefit obligations. The Group recognized deferred taxes liabilities in the amount of Baht (11,612) million in the consolidated statements of profit or loss by Baht (11,614) million which came from changes in amortization of intangible assets, right-of-use assets and gain of remeasurement of financial liabilities and recognized in the consolidated statements of other comprehensive income by Baht 2 million from changes in surplus from revaluation of assets through other comprehensive income.

As at December 31, 2023, the Company has net deferred taxes assets in the amount of Baht 10,988 million in the separate financial statements due to the year 2023, the Company recognized deferred taxes assets in the amount of Baht 13,008 million in the separate statements of profit or loss by Baht 12,959 million, causing from changes in the contribution to provident fund and pension fund, depreciation of assets, lease liabilities, provision for employee benefit obligations and tax losses carried forward and recognized in the separate statements of other comprehensive income by Baht 49 million from changes in actuarial assumption of provision for employee benefit obligations. The Company recognized deferred taxes liabilities in the amount of Baht (11,612) million in the separate statements of profit or loss by Baht (11,614) million which came from changes in amortization of intangible assets, right-of-use assets and gain of remeasurement of financial liabilities and recognized in the separate statements of other comprehensive income by Baht 2 million from changes in surplus from revaluation of assets through other comprehensive income.

As at December 31, 2022, the Group has net deferred taxes assets in the amount of Baht 9,599 million in the consolidated financial statements due to the year 2022, the Group recognized deferred taxes assets in the amount of Baht (1,035) million in the consolidated statements of profit or loss by Baht (921) million, causing from changes in the contribution to provident fund and pension fund, depreciation of assets, provision for employee benefit obligations and tax losses carried forward and recognized in the consolidated statements of other comprehensive income by Baht (114) million from changes in actuarial assumption of provision for employee benefit obligations. The Group recognized deferred taxes liabilities in the amount of Baht 2,359 million in the consolidated statements of profit or loss by Baht 2,362 million which came from changes in amortization of intangible assets and gain of remeasurement of financial liabilities and recognized in the consolidated statements of other comprehensive income by Baht (3) million from changes in surplus from revaluation of assets.

As at December 31, 2022, the Company has net deferred taxes assets in the amount of Baht 9,592 million in the separate financial statements due to the year 2022, the Company recognized deferred taxes assets in the amount of Baht (1,026) million in the separate statements of profit or loss by Baht (912) million, causing from changes in the contribution to provident fund and pension fund, depreciation of assets, provision for employee benefit obligations and tax losses carried forward and recognized in the separate statements of other comprehensive income by Baht (114) million from changes in actuarial assumption of provision for employee benefit obligations. The Company recognized deferred taxes liabilities in the amount of Baht 2,359 million in the separate statements of profit or loss by Baht 2,362 million which came from changes in amortization of intangible assets and gain of remeasurement of financial liabilities and recognized in the separate statements of other comprehensive income by Baht (3) million from changes in surplus from revaluation of assets.

The Company recognized deferred tax assets by considering that it is reasonably probable that the Company will have future taxable profit sufficient to utilize the accumulated tax losses.

The Company has carefully considered the estimated taxable profits and on the assumption that the airline industry will recover and operate as normal. As a result, revenue from the aviation business recovered in line with the aviation industry. The company managed flight more effectively. Including the facts about cost reductions from the company's business transformation plan that have already occurred. Increasing the efficiency of fuel use optimizing scheduling and proper maintenance, the Company still has tax losses carried forward and temporary differences used for tax deductions in the amount of Baht 9,561 million baht that have not yet been recorded as deferred tax assets. This is due to the uncertainty in the adequacy of future tax profits.

16. MAINTENANCE RESERVES FOR AIRCRAFT

Maintenance reserves as at December 31, are as follows:

	Consolidation of the Consolida		Unit : Million Baht Separate financial statements		
	2023	2022	2023	2022	
Maintenance reserves					
at the beginning of the year	14,329	15,490	14,329	15,427	
Add Increased	903	606	903	606	
<u>Less</u> Claim	(216)	(326)	(216)	(326)	
Add (Less) Adjusted from exchange rate	(122)	473	(122)	536	
Less Adjusted from lease modification	-	(1,916)	-	(1,916)	
Add Reversal credit loss allowance		2		2	
Maintenance reserves					
at the ending of the year	14,894	14,329	14,894	14,329	

Maintenance reserve under lease agreement is a security deposit was collected by lessor as collateral for maintenance engines and aircrafts in accordance with flight condition and engine maintenance schedule which can be refunded when the aircraft was overhauled according to the maintenance plan under conditions specified in such agreements.

17. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consisted of the followings:

	Consolida financial stat		Unit : Million Baht Separate financial statements		
	2023	2022	2023	2022	
Non-performing assets (see Note 17.1)	477	231	477	231	
Security deposits under aircraft lease agreement	2,208	797	2,208	798	
Accrued income from passenger	59	472	59	472	
Others	2,820	1,189	2,722	1,049	
<u>Less</u> Credit loss allowance	(3)	(1)	(3)	(1)	
Total	5,561	2,688	5,463	2,549	

17.1 Non-performing assets

As at December 31, 2023 and 2022, the Company had non-performing assets in the consolidated and separate financial statements in the amount of Baht 477 million and Baht 231 million, respectively, which presented in the net amount after deducting allowance for impairment.

Movements of the non-performing assets on consolidated and separate financial statements, are as follows:

For the year ended December 31, 2023

				Un	it : Million Baht
		Consolidated an	d Separate financi	ial statements	
	As at January 1, 2023	Addition	Impairment	Transfer	As at December 31, 2023
Aircraft (see Note 11)	-	1,386	-	(1,386)	-
Engines and flight equipment	21	13	-	12	46
Land	98	-	-	244	342
Other assets	112	9	-	(32)	89
Total	231	1,408	-	(1,162)	477

For the year ended December 31, 2022

Unit: Million Baht

	As at January 1, 2022	Addition	Impairment	Transfer	As at December 31, 2022
Aircraft (see Note 11)	124	-	-	(124)	-
Engines and flight equipment	1	22	19	(21)	21
Land	-	98	-	-	98
Other assets	111	11		(10)	112
Total	236	131	19	(155)	231

During the year ended December 31, 2023, the Company assessed that there was no indication that the aircraft and spare engines were impaired.

During the year ended December 31, 2022, the Company reversed impairment loss on non-performing engines foreclosed in amount of Baht 19 million, which were consisted of reversal of impairment loss of 3 engines (see Note 27).

18. INTEREST BEARING LIABILITIES

18.1 Long-term borrowings from financial institutions

Long-term borrowings from financial institutions as at December 31, are as follows:

Maturity Date	Principle repayment due date		st rate annum)	Unit: Million Baht Consolidated and Separate financial statements	
		2023	2022	2023	2022
December 20, 2010	December 30, 2035	1.00 - 1.50	1.00 - 1.50	1,985	1,808
October 8, 2019	December 30, 2035	1.00 - 1.50	1.00 - 1.50	1,263	1,152
September 30, 2014 and August 27, 2018	December 30, 2035	1.00 - 1.50	1.00 - 1.50	753	686
July 10, 2018	December 30, 2035	1.00 - 1.50	1.00 - 1.50	1,630	1,486
February 26, 2020	December 30, 2035	1.00 - 1.50	1.00 - 1.50	2,768	2,586
Total				8,399	7,718

The initial maturity date for the long-term borrowing from financial institutions is June 30, 2026.

	Unit : Million Baht Consolidated and Separate financial statements		
As at December 31,	2023	2022	
Principle	12.241	12,241	
<u>Less</u> Deferred interest expenses	(3,842)	(4,523)	
Total Long-term borrowings from financial institutions	8,399	7,718	

During the year ended December 31, 2023 and 2022, the Company did not have additional long-term borrowings from financial institutions, did not make any repayment and did not pledge fixed assets or other securities as collateral for any borrowings.

The Company adjusted outstanding debt to repay which the Company received an order from the Official Receiver measured the fair value of financial liabilities by discount cash flow method using market rate. However, the remaining borrowings from financial institution controlled are in the process of debt verification with the Official Receiver (see Note 5.1.3 (3)).

18.2 Debentures

The Company has issued and offered debentures in Thai Baht to investors which debenture type was name-registered, unsubordinated and unsecured as at December 31, are as follow:

	Consolidated an	Unit : Million Baht Consolidated and Separate financial statements	
	2023	2022	
Due within 1 year	-	-	
Over 1 year	46,826	42,765	
Total	46,826	42,765	
	Unit : Million Baht Consolidated and Separate		
	financial sta	financial statements	
	2023	2022	
As at December 31,			
Principle	71,604	71,604	
<u>Less</u> Deferred interest expenses	(24,778)	(28,839)	
Total Debentures	46,826	42,765	

On June 15, 2021, the Central Bankruptcy Court issued an order to approve the business rehabilitation plan, resulting the change in payment condition and interest rate to be in accordance with the business rehabilitation plan. The debentures have maturity period from December 30, 2028 to December 30, 2036 while the value of issued debenture had remained unchanged.

However, on October 20, 2022, the Central Bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting the change in 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 creditor), change to the repayment by methods of debt-to-equity conversion of the principal under the business rehabilitation plan for 24.50 percent of each creditors' outstanding debt according to the final debt repayment order. The repayment will be made within the year 2024. The remaining outstanding debt will be repaid by cash flow as specified period in the business rehabilitation plan which the court already approved. Furthermore, the amendment of business rehabilitation plan added a new interest rate for outstanding principal liable from cash flow, by adding the interest at the rate of 0.25 percent per annum to original rate for the last two year (see Note 5.1.3 (3)).

Detail of unsecured debentures as at December 31 2023 and 2022 as follow:

Debenture	Amount (Million Baht)	Interest Rate (% per	Interest Due	Repayment Due
	(Million Bant)	annum)		
August 2013		,		
No 2 (Period 7 years) September 2015	1,250	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2028 ⁽²⁾
No 2 (Period 5 years)	1,500	1.50 - 1.75(1)	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2028 ⁽²⁾
June 2017 No 1 (Period 3 years)	1,000	1.50 - 1.75(1)	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2028 ⁽²⁾
August 2018 No 2 (Period 2 years)	798	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2028 ⁽²⁾
November 2019				
No 1 (Period 1 year) May 2011	2,035	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2028 ⁽²⁾
No 2 (Period 10 years)	833	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029(2)
No 5 (Period 10 years) February 2012	2,167	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029 ⁽²⁾
No 2 (Period 10 years) March 2012	2,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2030 ⁽²⁾
No 2 (Period 12 years) October 2012	1,500	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2032 ⁽²⁾
No 3 (Period 10 years) August 2013	1,500	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of $2030^{(2)}$
No 3 (Period 10 years) February 2014	1,500	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2031 ⁽²⁾
No 2 (Period 7 years)	1,000	1.50 - 1.75(1)	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029(2)
No 3 (Period 10 years)	1,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029
December 2014	,			•
No 2 (Period 7 years)	1,340	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029 ⁽²⁾
No 3 (Period 10 years) April 2015	1,430	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2032 ⁽²⁾
No 3 (Period 7 years)	1,999	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2030 ⁽²⁾
No 4 (Period 10 years) September 2015	2,299	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2033 ⁽²⁾
No 3 (Period 7 years)	2,500	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2030 ⁽²⁾
No 4 (Period 10 years) December 2016	3,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2033 ⁽²⁾
No 2 (Period 5 years)	500	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029(2)
No 3 (Period 7 years)	1,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2031(2)
No 4 (Period 10 years)	3,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2034(2)
No 5 (Period 12 years) June 2017	2,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
No 2 (Period 5 years)	1,000	1.50 - 1.75(1)	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2030(2)
No 3 (Period 7 years)	1,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2032 ⁽²⁾
No 4 (Period 10 years)	3,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2035(2)
No 5 (Period 15 years) February 2018	2,000	1.50 - 1.75 ⁽¹⁾	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
No 1 (Period 5 years)	1,200	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2031(2)
No 2 (Period 7 years)	1,000	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2033 ⁽²⁾
No 3 (Period 10 years)	2,400	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
No 4 (Period 15 years) August 2018	1,400	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
No 3 (Period 3 years)	500	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029(2)
No 4 (Period 5 years)	500	$1.50 - 1.75^{(1)}$ $1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2023 ⁽²⁾
No 5 (Period 10 years)	2,200	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
No 6 (Period 12 years)	1,200	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
No 7 (Period 15 years)	1,300	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
	,			•

Debenture	Amount (Million Baht)	Interest Rate (% per annum)	Interest Due	Repayment Due
May 2019		annumj		
No 2 (Period 2 years)	1.000	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029(2)
No 3 (Period 3 years)	1,970	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2030 ⁽²⁾
No 4 (Period 5 years)	910	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2032 ⁽²⁾
No 5 (Period 7 years)	610	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2034 ⁽²⁾
No 6 (Period 10 years)	2,320	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
No 7 (Period 15 years)	2,190	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
November 2019	,		1 3 1 3 3	,
No 2 (Period 2 years)	634	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2029(2)
No 3 (Period 3 years and 3 months)	2,453	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2031 ⁽²⁾
No 4 (Period 10 years)	1,899	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036(2)
No 5 (Period 15 years)	1,767	$1.50 - 1.75^{(1)}$	First payment in 2024, paid by monthly basis ⁽¹⁾	Last workday of 2036 ⁽²⁾
Total	71,604		1 y ypma sy anamay anna	,

⁽¹⁾ On October 20, 2022, the Central bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting the change in interest rate outstanding principal which will be repaid by cashflow in the last two year before the maturity date according to the amendment of business rehabilitation plan. The interest rate increased by 0.25 percent per annum from original rate (see Note 5.1.3 (3)).

19. LEASE LIABILITIES

Lease liabilities as at December 31, consisted of the following:

				Million Baht
	Consolidated			ite
	financial st	atements	financial sta	tements
Maturity Analysis:	2023	2022	2023	2022
Year 1	15,858	9,210	15,852	9,206
Year 2 - 5	57,421	51,152	57,421	51,152
Year 5 onwards	57,750	64,635	57,750	64,635
<u>Less</u> deferred interest	(46,768)	(37,876)	(46,769)	(37,876)
Total	84,261	87,121	84,254	87,117
Classification:				
Current				
- Lease liabilities	7,187	1,980	7,180	1,976
Non-current				
- Lease liabilities	77,074	85,141	77,074	85,141
Total	84,261	87,121	84,254	87,117

As at December 31, 2023, the Group has expenses related to the payment of variable rentals excluding the measurement of lease liabilities which were recording as aircrafts and spare parts rental expense in amount of Baht 2,967 million and Baht 2,908 million in the consolidated and separate financial statements, respectively.

As at December 31, 2022, the Group has expenses related to the payment of variable rentals excluding the measurement of lease liabilities which were recording as aircrafts and spare parts rental expense in amount of Baht 5,227 million and Baht 5,141 million in the consolidated and separate financial statements, respectively.

⁽²⁾ On October 20, 2022, the Central bankruptcy Court issued an order to approve the amendment of business rehabilitation plan, resulting the change in debt repayment method, from at first, they will be repaid by cash in full, change to the repayment by methods of debt-to-equity conversion of the principal under the business rehabilitation plan for 24.50 percent of each creditors' outstanding debt according to the final debt repayment order to be ordinary shares at Baht 2.5452 per share. The repayment will be made within the year 2024. The remain outstanding debt will be repaid by the cash flow as specified period 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 (see Note 5.1.3 (3)).

			Unit : M	Iillion Baht
	Consolidated		Separate	
	financial st	atements	financial statements	
	2023	2022	2023	2022
Balance at the beginning of years	87,121	75,201	87,117	75,187
Increase	8,875	7,592	8,863	7,590
Remeasure lease liabilities from lease modification	1,276	5,675	1,276	5,675
Adjust Interest	7,481	2,013	7,481	2,013
Termination of contract	(1,722)	(2,228)	(1,722)	(2,227)
Reclassify to payables	(8,399)	(529)	(8,399)	(529)
Payment	(8,947)	(1,803)	(8,938)	(1,792)
Adjust from exchange rate	(1,424)	1,200	(1,424)	1,200
Balance at the end of years	84,261	87,121	84,254	87,117

Business Operations and Performance

20. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, are as follows:

			Unit : N	Aillion Baht
	Consolidated		Separ	ate
	financial st	atements	financial statements	
	2023	2022	2023	2022
Current				
Trade payables				
Related parties (see Note 6.2)	91	105	398	278
Others	2,193	4,605	2,040	4,461
Total trade payables	2,284	4,710	2,438	4,739
Other payables				
Airport fees payable	5,627	4,716	5,627	4,716
Others	7,891	7,798	7,219	7,111
Total other payables	13,518	12,514	12,846	11,827
Accrued expenses	7,491	5,712	6,873	4,642
Accrued interest expenses	858	747	858	747
Accrued flight service expenses	4,393	1,325	4,322	1,164
Accrued employee benefits (see Notes 22 and 23)	3	29	3	29
Total Current portion	28,547	25,037	27,340	23,148
Non-current				
Trade payables				
Related parties (see Note 6.2)	942	950	942	950
Other parties	9,974	10,605	9,974	10,605
Trade payables – other parties	4,784	2,242	4,784	2,242
Total Non-current portion	15,700	13,797	15,700	13,797
Total trade and other payables	44,247	38,834	43,040	36,945

	Consolidated financial statements		Unit : Million Baht Separate financial statements	
	2023	2022	2023	2022
Trade and other non-current payables				
Trade payables				
Related parties				
Principal	956	955	956	955
<u>Less</u> deferred interest expenses	(14)	(5)	(14)	(5)
Total trade payables - related parties (see note 6.2)	942	950	942	950
Others				_
Principal	12,645	12,912	12,645	12,912
Less deferred interest expenses	(2,671)	(2,307)	(2,671)	(2,307)
Total trade payables - others	9,974	10,605	9,974	10,605
Other payables				
Other payables - others				
Principal	7,520	2,412	7,520	2,412
Less deferred interest expenses	(2,736)	(170)	(2,736)	(170)
Total other payables - others	4,784	2,242	4,784	2,242
Total trade and other non-current payables	15,700	13,797	15,700	13,797

As at December 31, 2023, the Company additionally received an order from the Official Receiver to pay debt to 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 have the first installment period on June 30, 2024. Therefore, liabilities were adjusted and classified as trade and other non-current payables. The Company had an impact from the adjustment of trade and other payables for the year ended December 31, 2023 to be in accordance with the debt balance of Baht 321 million (see Note 5.2.1.1 (1)).

21. DEFERRED REVENUE

Deferred revenue as at December 31, are as follows:

	Consoli financial st		Unit : N Separ financial st	
Unearned transportation revenue	2023 32,521	2022 30,587	2023 32,442	2022 30,163
Customer Loyalty program (1)	5,055 37,576	5,092 35,679	5,055 37,497	5,182 35,345

Information shows the amount of revenue recognized during the year ended December 31, 2023 and 2022, relating to the beginning balance in deferred revenue.

			Unit : I	Million Baht
	Consoli	dated	Sepa	rate
	financial statements		financial statements	
	2023	2022	2023	2022
Unearned transportation revenue	14,557	1,453	14,126	1,279
Customer Loyalty Program (1)	560	97	560	97

⁽¹⁾ Customer loyalty program measured at fair value which calculated by using the average revenue of each route divided by mileage redemption from the standard prize table, together with the contract cost with business partner divided by mileage redemption from the standard prize table. This fair value measurement was in level 3.

Corporate Governance

22. STAFF PENSION FUND

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

The Company has established pension fund of Thai Airways International Public Company Limited. The Company contributed to the fund at a rate of 10% of employee salaries. The fund's assets, liabilities and fund balance are presented in the Company's statements of financial position. In addition, the Company recognized interest and operation expense as a revenue and expense as at December 31, are as follows:

	Unit : Consolidated ar financial sta	-
	2023	2022
Cash at bank		
(Presented as other non - current financial assets)	103	70
Receivable - Bank		
(Presented as other non - current financial assets)	703	804
Others current assets	77	62
Total Assets	883	936
Accrued payment for staff termination		
(Presented as trade and other current payables)	3	4
Staff pension fund	880	932
Total Liabilities	883	936

As at December 31, 2023 and 2022, the staff pension fund has remaining balances of Baht 880 million and Baht 932 million, respectively, equaled to the Company's obligations to pay for employees.

During the years ended December 31, 2023 and 2022, the Company paid to employees who ceased to be members of the provident fund and paid to staff termination under early retirement project (MSP-B MSP-C Block (special) and MSP-D3 Extend) in the amount of Baht 119 million and Baht 135 million, respectively. And recognized pension expense in the amount of Baht 66 million and Baht 25 million, respectively.

As at December 31, 2023 and 2022, the Company has accrued payment for staff leaving from provident fund in the amount of Baht 3 million and Baht 4 million respectively, presented as trade and other current payables (see Note 20).

As at December 31, 2023 the balance of net pension receivable - THAI in the amount of Bath 703 million was resulted of the bank deposit of pension had temporarily seized by the bank in amount of Bath 2,331 million and adjusted interest of bank deposit in amount of Bath 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 217 million. As a result, the pension fund could not 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 Bath 1,415 million. (2022: 1,297 million)

23. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

In the year 2023 and 2022 the Company has the policy about non-current provisions for employee benefits, are classified as follows:

23.1 Post-employment benefit

The Company provided the defined benefit pension plan in accordance with the requirement of Thai Labor Protection Act B.E. 2541 and according to the Company's policy for providing retirement benefit to employees based on their rights and year of services.

23.2 Encashment of unutilized holiday leaves

The Company provided annual leaves benefit compensation to the retired and early retired employees who have outstanding annual leaves in each year, which can be accumulated not more than 1 year 6 months. However, the Company adjust annual leaves benefit compensation in 2023.

23.3 Free air ticket

The Company provided benefit to the employees who have been working with the Company for 15 years, rewarded for 1 free confirmed ticket on the Company's routes, and every next 5 years from the latest reward if employees continue working with the Company. The employees can accumulate and use these awards whenever they desire. However, the Company adjust such benefit in the year 2022.

Non-current provisions for employee benefits as at December 31, are as follows:

	Consolidated financial statements 2023 2022		Unit : Million Bah Separate financial statements		
			2023 202		
Present value of obligations	4,768	4,496	4,741	4,414	
Items recognized in statements of profit or loss and	other comprehensiv	ve income for the	years ended De	ecember 31,	
Recognized in profit or loss					
Post-employment benefits	273	79	269	60	
Other long-term benefits	5	(2)	-	(2)	
Recognized in other comprehensive income					
Actuarial (gain) loss	248	(593)	246	(570)	
Total	562	(516)	515	(512)	

Movements in the present value of the provision for employee benefits:

	Consolidated		Unit : Million Bah Separate	
	financial st	atements	financial st	tatements
	2023	2022	2023	2022
Defined benefit obligations at the beginning of the year	4,496	5,173	4,414	5,083
Defined benefit expense obligation recognized				
in profit or loss				
Current service costs	179	203	176	185
Interest costs	112	95	111	94
Past service costs	(18)	(219)	(18)	(219)
Actuarial (gain) loss from other long-term benefits	5	(2)	-	(2)
Actuarial (gain) loss - recognized in				
other comprehensive income				
Arising from experience adjustments	278	(544)	275	(527)
Arising from financial assumptions	(30)	(49)	(29)	(43)
Classified as accrued employee benefits	-	(25)	-	(25)
Benefits paid by the plan	(254)	(136)	(188)	(132)
Defined benefit obligations at the ending of the year	4,768	4,496	4,741	4,414

Principles actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements			
	2023 2022		2023	2022
Discount rate (%)	1.21 - 2.80	1.21 - 2.78	2.80	2.70
Inflation rate (%)	2.00	2.00	2.00	2.00
Salary increasing rate (%)	0.00 - 5.00	0.00 - 5.00	0.00 - 2.00	0.00 - 2.00
Turnover rate (%)	0.00 - 35.00	0.00 - 35.00	0.00 - 2.50	0.00 - 2.50
Mortality	TMO17	TMO17	TMO17	TMO17

Significant actuarial assumptions for the determination of the defined employee benefit obligations consisted of discount rate, expected salary increase rate. The sensitivity analysis below was determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The impact on the employee benefit obligations increased (decreased) as at December 31, are as follows:

			Uni	it: Million Baht	
	Consolidated financial statements		Separate		
			financial s	tatements	
	2023	2022	2023	2022	
Discount rate - increase by 1%	(297)	(294)	(303)	(304)	
Discount rate - decrease by 1%	352	347	345	335	
Salary rate - increase by 1%	396	486	388	471	
Salary rate - decrease by 1%	(297)	(218)	(304)	(229)	

The sensitivity analysis presented above might not be representative of the actual change in the defined employee benefit obligations as it was unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions might be correlated.

Early Retirement Program

On October 9, 2020, the Company announced an early retirement program which allow voluntary employees to express their intentions within October 28, 2020 which employees participated in the program approximately 4,000 persons by the Company's approval. Such program had 2 options which will result in an approved employee retiring from December 1, 2020 (MSP-A), or having the right to decide to leave the Company on May 1, 2021 (MSP-B). For both options, the Company will pay the legal compensation as required by Thai Labor Law and other specific compensation in an average amount starting from June 2021 to June 2022.

On February 18, 2021, the Company announced Mutual Separation Plan C (MSP-C) for employees who has no intention to apply for positions in the new organizational structure or applies for positions in the new organizational structure but was not selected and intends to resign from the Company by receiving compensation according to the program. Employees should express their intention within April 19, 2021, which employees participated in the program approximately 2,500 persons by the Company's approval. Such program will result in an approved employee retiring from May 1, 2021. The Company will pay the legal compensation as required by Thai Labor Law and other specific compensation in an average amount starting from September 2021 to December 2022.

On June 2, 2021, the Company announced the Early Retirement program (MSP-D) for employees who has no intention to apply for positions in the new organizational structure or applies for positions in the new organizational structure but was not selected and intends to resign from the Company by receiving compensation according to the program. Employees should express their intention within June 13, 2021 by the Company's approval. The program offers three options that will result in the termination of approved employees from July 1, 2021 (MSP-D1) or January 1, 2022 (MSP-D2 and MSP-D3). The Company will pay the legal compensation as required by Thai Labor Law and other specific compensation in an average amount starting from January 2022 to December 2022.

As at December 31, 2022, the Company has approved the benefits paid for retirement employees and accrued liability employee benefit in amount of Baht 25 million, presented as part of the trade and other current payables (see Note 20) (2023: Nil).

24. OTHER NON-CURRENT PROVISIONS

Other non-current provisions during the year ended December 31, are as follows:

	Consolidated financial Statements		Unit : Million Baht Separate financial Statements	
	2023	2022	2023	2022
Other non-current provisions at the beginning of the year	26,777	20,072	19,849	16,129
Movement during the year	3,003	6,262	2,230	3,277
Addition from aircrafts transferred by a subsidiary	-	-	7,701	-
Adjust foreign exchange rate	(440)	443	(440)	443
Other non-current provisions at the ending of the year	29,340	26,777	29,340	19,849

Other non-current provisions consist of long-term provision for maintenance and overhaul 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 estimates expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which are calculated along with usage time proportion.

During the year ended December 31, 2023, the Company recognized provisions for other non-current liabilities from the transfer of twenty aircrafts from a subsidiary (A320-200) as loss from restructuring of business operation of Baht 7,081 million in the separate financial statements (see Note 6.4) (2022: Nil).

25. REVENUES 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 32).

Revenue from sales and services for the year ended December 31, were classified revenue by timing of revenue recognition and type of goods or services as follows:

	Consoli financial st		Unit : Million Bah Separate financial statements	
	2023	2022	2023	2022
Timing of revenue recognition				
At a point in time				
Air freight				
Revenue from passenger and excess baggage	132,736	73,408	123,200	64,862
Revenue from freight	15,464	23,784	15,465	23,743
Business unit				
Revenue from business units	5,336	3,054	6,667	4,520
Others				
Revenue from other activities	343	429	-	-
Overtime Business unit				
Revenue from warehouse services	2,432	2,763	2,432	2,763
Revenue from aircraft repair and maintenance services	1,135	429	1,227	509
Total	157,446	103,867	148,991	96,397

26. OTHER INCOME

Other income for the year ended December 31, consisted of:

		Consolidated financial statements		Million Baht arate statements
	2023	2022	2023	2022
Gain on disposal of assets	469	783	469	783
Others	2,225	481	2,073	424
Total	2,694	1,264	2,542	1,207

During the year ended December 31, 2023, the company had profit from selling residential condominiums in Singapore of Baht 215 million, profit from selling of offices in Rome, Italy and offices in Manila, Philippines, totaling Baht 153 million, profit from selling houses in Jakarta, Indonesia, Baht 78 million, profits from sales engine spare parts and other assets in the amount of Baht 38 and 30 million, respectively. The company had a loss from aircraft sales of Baht 45 million in the consolidated and separate financial statements.

During the year ended December 31, 2022, the Company made a profit from the sale of land and Rak Khun Thao Fah Building in amount of Baht 55 million, profit from the sale of land and office buildings in Silom in amount of Baht 45 million, profit from the sales of land and office buildings in Khon Kaen, Udon Thani, Chiang Rai totaling amount of Baht 18 million, profit from the sale condominium in Singapore in amount of Baht 101 million, profit from the sale aircrafts in amount of Baht 106 million, engine in the amount of Baht 386 million and profit from the sales of other assets in the amount of Baht 72 million in the consolidated and separate financial statements.

27. IMPAIRMENT LOSS ON ASSETS (REVERSAL)

Impairment loss on assets (reversal) for the years ended December 31, are as follows:

	Uni Consolidated a financial st	-
	2023	2022
Aircraft and right-of-use asset (see Note 11, Note 13 and Note 14) Engine	-	(8,467) (1,067)
Rotable aircraft's spare parts Total	77 77	(9,521)

For the year ended December 31, 2023, Impairment loss on rotable aircraft's spare parts in the amount of Baht 77 million consisted of the impairment loss on rotable aircraft's spare parts which were included in property, plant and equipment (see Note 13). and there was no indication that the aircraft, right-of-use asset, and spare engines were impaired.

For the year ended December 31, 2022, The Company reversal of impairment loss on assets of Baht 9,521 million are as follows:

- Reversal of impairment loss on aircraft and right-of-use assets in the amount of Baht 8,467 million consisted of reversal of impairment loss on aircraft which were classified as non-current assets classified as held for sale in amount of Baht 648 million (see Note 11), reversal of impairment loss on aircraft which were included in property, plant and equipment in amount of Baht 6,459 million (see Note 13) and reversal of impairment loss on right-of-use asset in the amount of Baht 1,360 million (see Note 14).
- Reversal of impairment loss on engine in the amount of Baht 1,067 million consisted of reversal of impairment loss on engine which were included in property, plant and equipment in amount of Baht 1,060 million (see Note 13), reversal of impairment loss on engine which were classified as other non-current asset in the amount of Baht 19 million (see Note 17.1) and recognize impairment loss on asset held for sale in the amount of Baht 12 million (see Note 11).

Impairment loss on rotable aircraft's spare parts in the amount of Baht 13 million consisted of the impairment loss on rotable aircraft's spare parts which were included in property, plant and equipment (see Note 13).

28. IMPAIRMENT LOSS DETERMINED IN ACCORDANCE WITH TFRS 9 (REVERSAL)

Impairment loss determined in accordance with TFRS 9 (Reversal) for the year ended December 31, are as follows:

	Consoli	idated	Unit : Million Baht Separate		
	financial st	tatements	financial statements		
	2023	2022	2023	2022	
Expected credit loss of trade and other receivables					
- Related companies (see Note 8)	-	-	(300)	2,398	
- Other companies (see Note 8)	87	99	87	102	
Reversal of Expected credit loss of other financial assets	19	14	19	14	
Total	106	113	(194)	2,514	

29. INCOME TAX INCOME

	Consolidated financial statements		Unit: Million Baht Separate financial statements	
	2023	2022	2023	2022
Income tax recognized in profit or loss				
Income tax expenses	(20)	(7)	-	-
Deferred income tax	1,342	1,441	1,343	1,451
Total	1,322	1,434	1,343	1,451

Reconciliation of effective tax rate

Unit: Million Baht Consolidated financial statements 2023 2022 Tax rate Amount Tax rate Amount Profit for the years 28,123 (252)(1,322)Income tax income (1,434)Profit (loss) before income tax 26,801 (1,686)Income tax using applicable tax rate (tax rate 20%) 20 (5,360) 20 337 Tax effect of non-deductible (expenses) benefit Revenues and expenses from the promotional privileges 1,302 (885)Revenues and expenses not deductible for tax purposes 1,555 1,505 income tax expenses Effect of taxable losses not recognized deferred tax asset (950)2,503 Utilize tax benefits from loss carry forward Recognition of deferred tax for the years (1,324)(1,441)Adjustment from prior years (1,322)Income tax income (1,434)

Unit: Million Baht
Separate financial statements
2023 2022
Amount Tax rate Amount

	20	123	20	22
	Tax rate	Amount	Tax rate	Amount
Profit for the years		20,345		2,697
Income tax income		(1,343)		(1,451)
Profit before income tax		19,002		1,246
Income tax using applicable tax rate (tax rate 20%)	20	(3,800)	20	(250)
Tax effect of non-deductible (expenses) benefit				
Revenues and expenses from the promotional privileges		1,302		(885)
Revenues and expenses not deductible for tax purposes				
income tax expense		104		2,564
Effect of taxable loss not recognized as deferred tax asset		-		(1,429)
Utilize tax benefits from loss carry forward		2,394		-
Recognition of deferred tax for the years		(1,345)		(1,451)
Adjustment from prior years		2		-
Income tax income	-	(1,343)	-	(1,451)

30. PROMOTIONAL PRIVILEGES

The Group was granted the promotional privileges under the Investment Promotional Act, (B.E. 2520) by the Board of Investment under each promotion certificate as follows:

	Promotion	Commenced date	
Item	No.	Date	of revenue generated
1	2357(2)/2013	6 August 2013	23 January 2014
2	2358(2)/ 2013	6 August 2013	25 July 2014
3	2360(2)/ 2013	6 August 2013	25 January 2015
4	2362(2)/ 2013	6 August 2013	1 May 2015
5	2363(2)/ 2013	6 August 2013	4 September 2016
6	2364(2)/ 2013	6 August 2013	27 April 2017
7	2365(2)/ 2013	6 August 2013	20 July 2017
8	2366(2)/ 2013	6 August 2013	23 September 2017
9	2367(2)/ 2013	6 August 2013	7 February 2018
10	65-0130-1-00-1-0	20 December 2021	29 April 2022
11	65-1587-1-00-1-0	3 November 2022	1 June 2023
12	66-1217-2-00-1-0	22 August 2023	10 November 2023
13	66-1479-2-00-1-0	10 October 2023	1 December 2023

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Under some of conditions, privileges are consisted of:

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- A) Grant permission to bring foreigner who are skilled workers, experts, spouses, and dependents of persons in such foreigner into the Kingdom of Thailand for the number and period as the Board permitted.
- B) Foreigner of Thailand who are skilled workers or experts and who granted permission to stay in the Kingdom of Thailand, shall be granted a work permit for a specific position approved by the Board for the period of permitted stay in the Kingdom of Thailand.
- C) Granted exemption import duties for machinery as approved by the Board.
- D) Granted corporate income tax exemption for net income from operations the promotional privileges which was not exceeded 100% of investment excluding land and working capital specific 8 years (Item 1-9) and tax exemption for Promotional Card (Item 10-13) has a period of 5 years from the date of first earning income from that business. In the event that the business operates at a loss during the period of exemption from corporate income tax, the promoted person will be allowed to deduct the annual loss incurred during that time from the net profit incurred after receiving the promotion. Exemption from corporate income tax for a period not exceeding 5 years from the date of expiration of that period. Which can choose to deduct it from the net profits of any year or many years.
- E) Granted exemption to include dividend received from operations the promotional privileges which exempted corporate income tax for income tax calculation for the exemption period.
- F) Granted permission to take remit money from the kingdom of Thailand as foreign currency.
 - Requesting cancellation of Board of Investment (BOI) certificate that have ended their tax benefits for a total of 10 cards, which the company has fully complied with the conditions within the specified period. Without any tax burden, the company has issued a letter requesting to cancel the investment promotion certificate. To the Office of the Board of Investment which has been approved According to the announcement of the Office of the Board of Investment Bor. 74/2023 as of February 3, 2023 (Item 1-5) and Bor.88/2023 as of February 17, 2023 (Item 6-10)

	Promotional Card		Date of start income	BOI cancellation
Item	No.	Date	from business operation	announcement
1	*1214(2)/2009	8 December 2008	4 April 2009	3 February 2023
2	*1874(2)/2009	14 September 2009	30 March 2011	3 February 2023
3	*1446(2)/2011	21 February 2011	24 May 2011	3 February 2023
4	*1178(2)/ 2012	29 December 2011	26 December 2011	3 February 2023
5	*1627(2)/ 2012	28 March 2012	12 March 2012	3 February 2023
6	*2576(2)/ 2012	14 September 2012	8 August 2012	17 February 2023
7	*2577(2)/ 2012	14 September 2012	6 October 2012	17 February 2023
8	*1220(2)/2013	26 December 2012	5 February 2013	17 February 2023
9	*1221(2)/2013	26 December 2012	25 March 2013	17 February 2023
10	*1590(2)/2013	13 March 2013	13 March 2013	17 February 2023

** Request for cancellation of Board of Investment (BOI) certificate that have ended tax benefits for a total of 6 cards, which Thai Smile Airways Company Ltd. has fully complied with the conditions within the specified period. Without any tax burden, Thai Smile Airways Company Limited has issued a letter requesting to cancel the Board of Investment (BOI) certificate. To the Office of the Board of Investment, which has been approved according to the announcement of the Office of the Board of Investment at Bor.89/2023 as of February 17, 2023 (Item 1-3, 5, 6) and Bor.109/2023 as of On March 7, 2023 (Item 4)

	Promotional Card		Date of start income	BOI cancellation
Item	No.	o. Date annound		announcement
1	**1465(2)/o./2014	9 April 2014	7 July 2012	17 February 2023
2	**1466(2)/o./2014	9 April 2014	20 January 2013	17 February 2023
3	**1467(2)/o./2014	9 April 2014	27 October 2013	17 February 2023
4	**1468(2)/o./2014	9 April 2014	5 February 2014	7 March 2023
5	**1469(2)/o./2014	9 April 2014	23 October 2014	17 February 2023
6	**1470(2)/o./2014	9 April 2014	23 March 2015	17 February 2023

The company must comply with various conditions specified in the Board of Investment (BOI) certificate in order to comply with the announcement of the Office of the Board of Investment No. Por. 14/1998, dated December 30, 1998, regarding the method of reporting income for promoted for the years ended December 31, 2023 and 2022, the Company's total sales revenue Classified by activities that receive investment promotion and those that do not receive investment promotion as follows:

•	Promoted		solidated finan Non-promot		nts	llion Baht otal		
	2023	2022	2023	2022	2023	2022		
Revenue from sales or services	55,492	47,965	101,954	56,120	157,446	104,085		
	Unit: Million Baht Separate financial statements							
	Promoted	business	Non-promot	ed business	Total			
	2023	2022	2023	2022	2023	2022		
Revenue from sales or services	55,492	47,965	93,499	48,651	148,991	96,616		

31. SHAREHOLDERS' EQUITY

31.1 Revaluation Surplus

Revaluation surplus is revaluation surplus of land and building net of tax. Such revaluation surplus is amortized on a straight-line basis over the remaining life of the related assets and recorded directly to retained earnings.

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

31.2 The registration of the increase of registered capital

On December 14, 2022, the Company already completed the registration of the increase of the Company's registered capital from the original registered capital of Baht 21,827,719,170 to Baht 336,824,601,650.

32. OPERATING SEGMENT

Identifying factors of the reportable segments

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

The Company has 3 reportable segments, consisting 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 recorded revenue transfer transaction between segments with sale prices that charged to the unaffiliated customers net of discount. For ground customer services segment recorded at cost net of discount. For other activities, segment recorded as cost of mutual agreements. Those transferred transactions will be eliminated in consolidated financial statements.

Gain (loss) before income tax of each segment 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.

During the year ended December 31, 2023 and 2022, The group did not have revenues from sales and services with a single external customer contributed to 10% or more of total revenues.

32.1 Financial information by segment

The operating segments are classified in the consolidated financial statements for the year ended December 31, are as follows:

Unit : Million Baht Consolidated financial statements **Business Units** Air Transportation Other Activities Total 2023 2022 2023 2022 2023 2022 2023 2022 5,976 3,477 External Revenues (see Note 25) 146,776 95,549 7,193 2,342 157,446 103,867 1,473 (6,963)(4,695)5,160 3,222 1,803 Inter - segment revenue (expenses) Interest income 1,394 65 2 1,396 65 Other income 2,585 1,230 100 37 9 13 2,694 1,280 Gain from debt restructuring 3,956 3,956 **Total Revenues** 147,748 92,149 12,453 9,235 5,291 3,828 165,492 105,212 Aircraft fuel expenses (47,765)(38,378)(47,765)(38,378)Employee benefits expenses (6,197)(3,942)(3,119)(2,468)(1,393)(1,277)(10,709)(7,687)Flight service expenses (14,029)(9,034)(5) (11) (14,034)(9,045)(11,389) Depreciation and amortization expenses (10,106)(8,564)(662)(651)(621)(666)(9,881)Reversal (loss) from impairment on rotable aircraft's spare part 9,521 9,521 (77) (77)(4,898) (2,628) (32,073) (28,849) (1,134)(510)(38,105)(31,987) Other expenses (1,512)(1,065)(1,512)Gain (Loss) from foreign exchange rate (1,066)Finance costs (15,610) (12,687)(1) (15,611) (12,687)Share of (loss) gain on investment in associates 64 (4) 64 (4) Loss on debt restructuring (5,238)(5,238)**Total Expenses** (126,859) (98,687) (8,684) (5,758) (3,148) (2,453) (138,691) (106,898) Profit (loss) before income tax expenses 20,889 (6,538) 3,769 3,477 2,143 1,375 26,801 (1,686) 1,342 1,450 1,322 1,434 Income tax income (expenses) (20) (16)1,359 Profit (loss) by segments 22,231 (5,088)3,769 3,477 2,123 28,123 (252)

Unit : Million Baht

							Unit	: Million Baht
	Consolidated financial statements							
	Air Transp	ortation	Business	Units	Other	Units	Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Current assets	89,740	55,642	717	598	1,517	817	91,974	57,057
Investments in associates	575	511	-	-	-	-	575	511
Property, plant and equipment	38,206	39,120	5,011	5,239	1,362	1,610	44,579	45,969
Right-of-use assets	61,037	58,262	2,654	2,757	1,357	850	65,048	61,869
Other non-current assets	34,699	30,011	1	-	12	14	34,712	30,025
Non-allocated assets	2,103	2,747	-	-	-	-	2,103	2,747
Total assets							238,991	198,178
Current liabilities	68,508	56,843	505	349	998	516	70,011	57,708
Non-current liabilities	207,900	205,517	37	-	-	29	207,937	205,546
Non-allocated liabilities	4,185	5,949	-	-	-	-	4,185	5,949
Total Liabilities						_	282,133	269,203

32.2 Revenues by Geographical Segment

Operating segments classified by geographical in the consolidated financial statements for the year ended December 31 are as follows:

	Unit: M Consol financial si	
	2023	2022
Domestic Revenues		
Air Transportation	9,412	6,425
Business Unit	7,193	5,976
Others	3,477	2,342
Foreign Revenues		
Air Transportation		
Asia	72,422	42,206
Europe	51,727	37,900
Australia & New Zealand	13,215	9,018
Total Revenues	157,446	103,867

33. PROVIDENT FUND

The Group and their employees have joint to establish a provident fund in accordance with the Thai Provident Fund Act B.E. 2530. The Group and the employees will pay contributions to the fund monthly. The members who had working year less than 20 years pay at 9% of salaries and the members who had working year more than 20 years pay at 10% of salaries. During the period of January 2023 to December 2024, the Group pays contributions to the fund at 5% of salaries for the employees who had working year less than 20 years and at 6% of salaries for the employees who had working year more than 20 years.

Provident Fund is managed by Krungthai Asset Management Public Company Limited, One Asset Management Company Limited and Principle Asset Management Company Limited and will pay to employees when the employees resign according to regulations of the Group's fund. For the years ended December 31, 2023 and 2022, the Group recognized the contribution paid as an expense in the consolidated financial statements in the amount of Baht 362 million and Baht 323 million, respectively, and the Company recognized that contribution paid as an expense in the separate financial statements in the amount of Baht 343 million and Baht 300 million, respectively.

34. FINANCIAL INSTRUMENTS

34.1 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 size and level 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.

As at December 31, 2023 and 2022, the Company did not have derivative financial instrument transactions because the Company had entered the business rehabilitation process. Therefore the Company does not enter into an additional contract.

34.2 Market risk

The Group's activities expose it 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 currency 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 of purchased or sale inventory

Details of sensitivity analysis for foreign currency risk and for interest rate risk are set as follows:

34.2.1 Foreign currency 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, 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 rates in the financial statements. In addition, the Company manages 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 contract to hedge the future obligation that has underlying exposures.

As at December 31, 2023 and 2022, the Company did not have CCS transaction and Forward contract because the Company has entered the business rehabilitation process. Therefore, the Company has not entered into the contract.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities as at December 31, 2023 are as follows:

	Unit : Million Baht Consolidated and Separate financial statements	
	Assets	Liabilities
US Dollar	53,418	126,931
Yen	2,872	6,672
Euro	7,728	6,285
Others	8,828	1,899

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Foreign Currency sensitivity analysis

The Group is mainly disclosed to the currency of asset and liability in USD.

The following table detailed the Group's sensitivity to a 10% of appreciation and depreciation of Baht currency which comparing with relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation as at December 31, 2023 for a 10% change in foreign currency rates.

	Unit : Million Baht Consolidated and Separate financial statements Assets Liabilities		
Gain (loss)			
- Appreciate 10%	(7,285) 7,285	14,179	
- Depreciate 10%	1,283	(14,179)	

34.2.2 Interest rate risk management

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

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both financial derivatives and non-financial derivatives at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. The Group's sensitivity to 1% increase or decrease is used when reporting interest rate risk internally key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 1% higher/lower and all other variables were held constant, the Group's profit or loss for the year ended December 31, 2023 would decrease/increase by Baht 100 million and 2022 Baht 308 million, respectively. (Excluding rent of aircraft operating leases). This is mainly attributable to the Group's exposure to interest rates on its floating rate borrowing.

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable 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 the curves at the reporting date and the credit risk inherent in the contract.

As at December 31, 2023 and 2022, the Company does not have interest rate swap contract transaction due to the Company has entered the business rehabilitation process. Therefore, the Company has not entered into the additional contract.

34.2.3 Fuel price risk

Fuel price risk in the Company primarily arises from price fluctuation availability of jet fuel. Fuel price fluctuation depends on demand and supply of global economic situation and uncertainty political worldwide, which has direct impacts on the Company's operating result as fuel is important factor in the aviation industry. The Company has made jet fuel price hedging in order to reduce the risk of fuel price volatility, to meet the Company's operating result target and protect the value of the Company for shareholders and all stakeholders and made 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 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.

The Company enters into derivative transactions to limit these risks. Hedging activities are regularly assessed to reflect the Group's expectations of the expected changes in price and risk to ensure the most effective hedging strategy is used.

As at December 31, 2023 and 2022, the Company did not have any derivative transaction for hedge fuel price because the Company has entered the business rehabilitation process. Therefore, the Company has not entered into the additional contract.

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Note 8 details the Group's maximum exposure to credit risk and the measurement bases used to determine expected credit loss allowance.

The Group exposures to credit risk which related to trade and other receivables. The management has adopted a policy and appropriated 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 financial statements.

34.4 Liquidity and interest risk management

As at December 31, 2023 and 2022, ultimate responsibility for liquidity risk management rests with the Plan Administrators, 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 process, which was on processing as the business rehabilitation plan of Central Bankruptcy Court as described in Note 5.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

The contractual maturity is based on the earliest date on which the Group may be required to pay.

				Unit	: Million Baht
As at December 31, 2023		Consolidated	Financial Stateme	ents	
	Effective Interest	Less than	More than 1	Total	Carrying
	Rate	1 year	year		Amount
	(Per annum)				
Trade and other payables	6.70 - 10.60	28,547	21,121	49,668	44,247
Loans from related parties	8.86	-	26,258	26,258	24,932
Loans from financial institution	1.52 - 11.68	-	12,241	12,241	8,399
Debentures	8.07 - 8.86	-	71,604	71,604	46,826

				Unit	: Million Baht
As at December 31, 2022		Consolidated	Financial Stateme	ents	
	Effective Interest	Less than	More than 1	Total	Carrying
	Rate	1 year	year		Amount
	(Per annum)				
Trade and other payables	6.70 - 10.60	25,037	16,340	41,377	38,834
Loans from related parties	8.86	454	26,258	26,712	24,361
Loans from financial institution	1.52 - 11.68	-	12,141	12,141	7,718
Debentures	8.07 - 8.86	-	71,604	71,604	42,765

				Unit	t : Million Baht
As at December 31, 2023		Separate F	inancial Statements		
	Effective Interest	Less than	More than 1	Total	Carrying
	Rate	1 year	year		Amount
	(Per annum)				
Trade and other payables	6.79 - 10.60	27,340	21,121	48,461	43,040
Loans from related parties	8.86	-	26,258	26,258	24,932
Loans from financial institution	1.52 - 11.68	-	12,241	12,241	8,399
Debentures	8.07 - 8.86	-	71,604	71,604	46,826
				Unit	t : Million Baht
As at December 31, 2022		Separate F	inancial Statements		
	Effective Interest	Less than	More than 1	Total	Carrying
	Rate	1 year	year		Amount
	(Per annum)				
Trade and other payables	6.79 - 10.60	23,148	16,340	39,488	36,945
Loans from related parties	8.86	454	26,258	26,712	24,361
Loans from financial institution			12 141	12 141	7 710
Louis from manetal metation	1.52 - 11.68	-	12,141	12,141	7,718

34.5 Classes and categories of financial instruments and their fair values

The following table combines information of:

- type of financial instruments based on their nature and characteristics;
- the carrying amounts of financial instruments;
- fair values of financial instruments, except financial instruments that their carrying amounts are approximated at fair value.
- level of fair value hierarchy of financial assets and financial liabilities, which fair value was disclosed and
- level of fair value hierarchy 1 to 3 is based on the degree to which the fair value is observable.

As of December 31, 2023 and 2022, cash and cash equivalents, trade receivables, other receivables, their carrying amounts approximate their fair value because of short-term maturity.

For carrying amounts of long-term loans from related parties and long-term loans from financial institutions, which had floating interest rate, have fair value approximated to their carrying amounts.

Financial assets measured at fair value

The following table presents the fair values of financial assets including the fair values hierarchy for financial assets recognized at fair value as at December 31, 2023 and 2022

Business Operations and Performance

		Consolidated financial statements		Unit : Million Baht Separate financial statements	
	Level of	2023	2022	2023	2022
	Fair value				
Financial assets measured at fair value					
through profit or loss					
Other non-current financial assets					
Investment in debt securities	Level 2	50	51	50	51
Investment in funds	Level 2	1	1	1	1
Investment in market-equity securities	Level 1	311	413	311	413
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	58	22	30

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. Calculated using valuation techniques by 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 the investment in equity securities measured at fair value through profit or loss (FVTPL) is calculated by using bid price from the stock exchange of Thailand (SET) as of the reporting date.
Non - marketable equity securities	The fair value of investments in equity instrument measured at fair value through other comprehensive income (FVTOCI) is calculated by using the net asset value as of the reporting date.
	The fair value of investments in equity instrument measured at fair value through profit or loss (FVTPL) is calculated by present value of the forecast cash flow and discount with interest rate and the related risks.

During the year ended December 31, 2023, the Company did not transfer financial instruments between the fair value hierarchy.

Reconciliation of recurring fair value measurements of assets categorised within Level 3 of the fair value hierarchy as at December 31, 2023 are as follows:

	C	Unit : Million Baht Consolidated and Separate financial statements
Non - marketable equity securities		
- measured at fair value through profit or loss (l	EVTPL)	
Beginning balances of the year		312
Disposed during the year		-
Net gain recognized into profit or loss		
Ending balances of the year	_	312
	_	Unit : Million Baht
	Consolidated financial statements	Separate financial statements
Non - marketable equity securities - measured at fair value through other comprehe	financial statements	financial statements
- measured at fair value through other comprehe Beginning balances of the year	financial statements	financial statements
- measured at fair value through other comprehe	financial statements nsive income (FVTOC 58	financial statements

The methods used by the Company and its subsidiaries to estimate financial assets and liabilities that are not measured at fair value are as follows.

Cash and cash equivalents, trade receivable and other current receivables have book price close to fair value because these financial instruments mature in a short time.

Other long-term investments have fair value which is not significantly different from the carrying amount at the reporting date. Investment in mutual funds measured fair value by using the mutual fund's net asset method. The Company has commitments which have not been recognized in the financial statements, are as follows:

35.1 Bank Guarantee

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

The Company has bank guarantees issued by domestic and foreign banks as at December 31, in the consolidated and separate financial statements as follows:

	Consolidated	Unit: Million (Currency) Consolidated and Separate financial statements	
	2023	2022	
Bank Guarantee			
Issued by domestic banks			
THB Currency	210	212	
Issued by foreign banks			
USD Currency	17	14	
BDT Currency	-	10	
AUD Currency	1	1	
INR Currency	343	123	
AED Currency	1	1	
HKD Currency	3	_	

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.

35.2 **COMMITMENTS**

As of December 31, 2023, the Company is awaiting delivery of aircraft, with a total future payment obligation under the aircraft operating lease agreements of approximately USD 1,766 million, and agreements to procure assets totaling approximately USD 8,000 million. The company has partially paid the pre-delivery payment for the aircraft.

36. DISPUTES AND SIGNIFICANT LITIGATION

36.1 Labor disputes and damages claim

The Company has been filed as defendant in domestic and foreign labor disputes for 4 case with claim amount of Baht 20 million and the complaints in domestic and foreign for 55 cases with claim amount of Baht 324 million. As of December 31, 2023, the Company's management, considering such disputes and claims based on facts and laws, considers that the impact of such matters is insignificant to the financial statements.

36.2 Tax dispute

- 36.2.1 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. The Custom Department has informed that the Company has imported goods into the free zone without license and collateral in order to perform business operation in duty free zone and bonded warehouses and has further informed during 2012 - 2017. From the inspection of importation of goods into duty free zone, can be summarize as the following:
 - 1. During 2007-2012, from 251 imported items. The company has entered into a settlement agreement by notifying the new valuation and taxation. In the case of companies importing food and beverage products into the Kingdom, there were a total of 251 import declarations. It is a regulated product without a license while being imported from the relevant authorities. In the case of obtaining a license after importation, the fine shall be 10% of the price not less than Baht 1,000 but not more than Baht 20,000. In case of lack of license, the Company shall reimburse the amount according to the value of the incoming goods, which the Company has recognized as expenses in the financial statements. Approximately Baht 99 million.
 - 2. During 2012-2017, from 623 imported items. 26 licensed import declarations were found and 568 post-imported licensed import declarations, totaling 594 items. Therefore, 29 items of imported goods without declaration or license were found.

The Company has sent the letter dated April 8, 2022 to 3 departments:

- 1. Secretary-General of the Food and Drug Administration
- 2. Director-General of the Department of Livestock Development
- 3. Director-General of the Excise Department

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Corporate Governance

representative met with Company's Secretary-General the Food and Drug Administration in order to inform the facts about the reasons for requesting a waiver of importation without the need for a license. Also, the Company is in between setting up the meeting with Director-General of the Department of Livestock Development and Director-General of the Excise Department in order to inform the facts for the reasons for requesting a waiver of importation without a license to import as well.

At present, the Company is in the midst of verification for consideration of the import food for restricted products and permission import for consideration of disputes the Custom Department, including finding settle the disputes.

36.2.2 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 year 2019, the Company received the tax assessment notification for the year 2017, consisted of 3 types of tax, which were corporate income tax, special business tax and withholding tax. The total additional assessed tax, including fine and interest were Riel 10,771 million. And for the period January - September 2017, consisted of 2 types of tax, which are prepayment corporate income tax and special business tax. The total additional assessed tax, including fine and interest were Riel 7,176 million.

> During the year 2020, the Company received letter of tax assessment notification for the year 2018 consisted of 3 types of tax, which were corporate income tax, special business tax and withholding tax. The total additional assessed tax, including fine and interest were Riel 5,018 million. In addition, the Company received letter of tax assessment notification for the year 2019, consisted of 4 types of tax, which were special business tax, withholding tax, payroll tax and additional tax (from obstruction of operations) including tax assessed with fine and interest in the amount of Riel 10,633 million.

> During the year 2022, the Company received letter of tax assessment notification for the year 2020 consisted of 3 types of tax, which were corporate income tax, special business tax and withholding tax. The total additional assessed tax, including fine and interest were Riel 2,025 million.

> The Company had filed such disputes with the above assessment through a tax advisor. The Company had issued a letter 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 is in 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.

36.3 Rental agreement and license to operate business agreement at Don Mueang International Airport

The Company had rental agreement and license to operate business agreement with Airports of Thailand Public Company Limited ("AOT"), with agreement

no. 3-08/2552 dated December 14, 2010, the duration of the contract was 3 years period from September 28, 2009 to September 27, 2012. After September 27, 2012, the Company was out of the permission for renting and operating business at Don Mueang International Airport. The Company has continued to pay rental fee and concession fee based on the original agreement. However, AOT will reserve

the rights to increase the minimum rental fee and concession fee, if the result of increment of the minimum rental fee and concession fee is final and the rate is higher than the rate specified in the original agreement or the notification letter of AOT that announced the extension of the agreement.

Later, creditors have submitted the rental agreement which occurred on September 14, 2020, to receive repayment to the Official Receiver in the business rehabilitation process. The debt value is currently under investigation by the Official Receiver to determine the creditors' rights to be paid in the business rehabilitation process.

For the obligation occurred after September 14, 2020, the Company and AOT have a mutual conclusions, According to the conclusion, the Company has agreed to pay the outstanding rent and utility charges totalling Baht 574 million, divided into 12 instalments. In addition, the Company has entered into a new lease agreement noting the criteria, conditions and the rental rate. According to this new lease agreement, it does not affect any disputes in relation to the original lease agreement.

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

The Company has been impleaded by British Airways, Lufthansa and KLM-AF, which are the defendants in the Cargo Civil Case in the Netherlands, which they have submitted the requested to exercise the right of recourse to the Company.

On July 2015, the Company had received a writ of summons for contribution claim from British Airways, Deutsche Lufthansa and Lufthansa Cargo A.G. (collectively called "Lufthansa"), and Koninklijke Luchtvaart Maatschappij N.V., Martin Air Holland N.V., Societe Air France S.A. (collectively called "KLM-AF"). These airlines had submitted such writ of summons against the Company and more than 20 other airlines in the case where a group of plaintiffs had filed a lawsuit against British Airways, Lufthansa, KLM-AF and Singapore Airlines and Singapore Airlines Cargo (collectively called "Singapore Airlines") as defendants since December 24, 2013 by alleging that these airlines conspiracy set the price for various surcharges (Main case).

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Nonetheless, the Company had not been sued as a defendant in the main case. Subsequently, British Airways, Lufthansa and Swiss International, KLM-AF, Korean Airlines and Qantas Airways, who were parties to 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. However, the initiation of such case in the form of contribution claim and sub contribution claim was merely for the purpose of reserving the right in the event that the court orders that each airline to pay for the damages exceeding its market share. This was not a lawsuit to demand for additional damages.

Later on December 2016 to January 2017, the Company had received a writ of summons for contribution claim from British Airways, Lufthansa and KLM-AF. These airlines had submitted such writ of summons to the Company and more than 20 other airlines in the case where a new group of plaintiffs had filed a lawsuit against British Airways, Lufthansa, KLM-AF and Singapore Airlines as defendants on November 6, 2015.

The allegation had similar type as same as the first main proceedings in which the Company had not been sued as a major defendant. On June 22, 2020, Freshfields Law Firm reported that Cargo Netherlands pending review of the Amsterdam District Court on March 10, 2020, that the Appeal Court ruled that the transfer of claims to SCC is complete.

Subsequently, 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 ("British Airways"), Deutsche Lufthansa and Lufthansa Cargo A.G. (collectively "Lufthansa") and KLM, Martin Air, Air France (collectively "KLM-AF") were the defendants which the company is not a party. The result of the court hearing allowed the defendant to take another 6 months to review the information and submit a complaint about the SCC's claims by December 6, 2020. The court requires all economics experts to agree on how to calculate overcharge and share data. By submitting a report to the court by December 6, 2020, the court will then arrange for the next hearing.

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

As at December 31, 2023 and 2022, the management of the Company considered such disputes and litigation as described in Notes 36.1 to 36.4 based on the facts and the laws that the impacts of such matters will not significantly affect to the financial statements.

37. APPROVAL OF THE FINANCIAL STATEMENTS

This financial statements were approved by the Plan Administrator of the Company on February 22, 2024.

Business Operations and Performance

> Financial Statement

Financial Ratio

Item	2023	2022
Liquidity Ratios: Current Ratio (times) (1)	2.51	2.04
Quick Ratio (times)	1.71	1.64
Cash flow current Ratio (times)	1.36	1.01
Receivable Current Ratio (times)	14.94	9.86
Average Debt Collection Period (days)	24.42	37.02
Inventory Turnover Period (times)	9.89	8.31
Average Selling Period (days)	36.90	43.92
Payable Current Ratio (times)	6.59	4.38
Loan Repayment Period (days)	55.40	83.30
Cash Cycle (days)	5.93	(2.36)
Profitability Ratios : Gross Profit Margin (%)	38.38	24.85
Operating Profit (Loss) Margin (%) (2)	15.27	(4.37)
Other Revenue Margin (%)	1.63	1.20
Cash to Profit Margin (%)	156.52	(670.16)
Net Profit (Loss) Margin (%) (3)	17.46	(0.24)
Return on Equity (%) ⁽⁴⁾	(49.27)	(0.35)
Efficiency Ratios : Return on Total Assets (%) (5)	12.87	(0.14)
Return on Fixed Assets (%)	27.90	7.01
Asset Turnover (times)	0.76	0.59
Financial Policy Ratios : Interest Bearing Debt to Equity Ratio (times) (6)	(3.81)	(2.28)
Interest Coverage Ratio (times) (7)	3.27	1.44
Commitment Coverage Ratio (times) (8)	1.93	1.19
Pay out Ratio (%)	-	-

- (1) Current Ratio = Current Assets (Excluding Non-Current Assets held for sale / Current Liabilities (Excluding Unearned Transportation Revenues)
- (2) Operating Profit (loss) Margin = Operating Profit (Loss) / Total Revenue (excluding one-time gain)
- (3) Net Profit (loss) Margin = Net Profit (Loss) / Total Revenue (excluding one-time gain)
- (4) Return on Equity = Net Profit (Loss) / Average Shareholders' Equity
- (5) Return on Total Assets = Net Profit (Loss) / Average total assets
- (6) Interest Bearing Debt to Equity = (Short-term Loan + Long-term Loan including current portion of Long-term Loan within 1 year) / Shareholders' Equity
- (7) Interest Coverage Ratio = Revenue (excluding gain on foreign currency exchange, gain on debt restructuring, and capital gain) expenses (excluding financial costs, taxes, depreciation and amortization, loss from impairment of aircrafts and rights to use and current aviation equipment, loss from impairment in accordance with TFRS 9, and loss from foreign currency exchange) (EBITDA) / Interests
- (8) Commitment Coverage Ratio = EBITDAR / (long-term debt repayment and debts from leasing agreements + interests + aircraft leasing and spare parts)

5-Year Performance

Item		2023	2022	2021	2020	2019
Number of Aircraft	(Aircraft)	77	86	87	103	103
Flight Hours	(Block Hours/Year)	270,618	192,994	57,318	116,526	420,723
Available Ton-Kilometers	(Million Ton-Kilometers)	8,294	5,885	1,699	3,394	13,016
Revenue Ton-Kilometers	(Million Ton-Kilometers)	5,875	3,950	774	2,151	9,367
Load Factor	(%)	70.8	67.1	45.5	63.4	72.0
Number of Passengers	(Thousand Passengers)	13,763	9,012	1,640	5,871	24,511
Available Seat-Kilometers	(Million Seat-Kilometers)	54,280	38,526	11,224	23,789	90,622
Revenue Passenger-Kilometers	(Million Seat-Kilometers)	43,268	26,163	2,147	15,398	71,695
Cabin Factor	(%)	79.7	67.9	19.1	64.7	79.1
Available Dead Load Ton-Kilometers	(Million Ton-Kilometers)	2,864	2,032	581	1,015	3,950
Revenue Freight Ton-Kilometers	(Million Ton-Kilometers)	1,481	1,283	547	595	2,127
Freight Load Factor	(%)	51.7	63.1	94.1	58.6	53.8
Number of Personnel	(Persons)	11,146	10,640	11,182	18,361	21,367
Profit (Loss) before Tax	(THB million)	26,801	(1,686)	52,333	(140,097)	(11,035)

Definition of Aviation Terms

- Available Ton-Kilometers (ATK) refers to the aircraft payload multiplied by kilometers flown.
- Revenue Ton-Kilometers (RTK) refers to the actual traffic load (passengers, excess baggage, freight and mail) multiplied by kilometers flown.
- Load Factor refers to the ratio of Revenue Ton-Kilometers (RTK) to Available Ton-Kilometers (ATK).
- Available Seat-Kilometers (ASK) refers to the number of seats on an aircraft multiplied by kilometers flown.
- Revenue Passenger-Kilometers (RPK) refers to the number of passengers carried multiplied by kilometers flown.
- Cabin Factor refers to the ratio of Revenue Passenger-Kilometers (RPK) to Available Seat-Kilometers (ASK).
- Available Dead Load Ton-Kilometers (ADTK) refers to the aircraft payload after deduction of the weight of the load of passengers multiplied by kilometers flown.
- Revenue Freight Ton-Kilometers (RFTK) refers to the weight of freight carried multiplied by kilometers flown
- Freight Load Factor refers to the ratio of Revenue Freight Ton-Kilometers (RFTK) to Available Dead Load Ton-Kilometers (ADTK).
- Aircraft Payload refers to the total weight of passengers, excess baggage, freight and mail that an aircraft can carry..









Chairman of The Plan Administrator and Director

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)

Mr. Piyasvasti Amranand



Mr. Piyasvasti Amranand

Chairman of The Plan Administrator / Director

Appointment Date

The Plan Administrator Jun 15, 2021 - Present May 25, 2020 - Present Director

Age 70 years

Education

- Doctor of Philosophy (Ph.D.) in Economics, London School of Economics and Political Science, University of London, U.K.
- Master of Science (Economics), London School of Economics and Political Science, University of London, U.K.
- Bachelor of Arts (Mathematics) (First-class Honours), University of Oxford, U.K.

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
 - Director Accreditation Program (DAP), Class 35/2005
- · Other training
 - The Executive Program in Energy Literacy for a Sustainable Future, Class 6, Thailand Energy Academy (TEA)

Experience

Listed Company on the Stock Exchange of Thailand

2018 - Present Independent Director and Chairman

of the Audit Committee, Pruksa Holding

Public Company Limited

Companies or other entities

Current

- Chairman, Energy for Environment Foundation
- Council Member, the Heart Foundation of Thailand under the Royal Patronage
- Director, Kiroro Resort Holdings Company Limited

Work Experiences (5 Years Past Experiences)

2018 - 2023 Chairman and Chairman of the Independent

Director, PTT Global Chemical Public

Company Limited

2018 - 2022 Independent Director and Chairperson of

the Risk Oversight Committee, Kasikornbank

Public Company Limited

Family Relationship between Directors and Executives None



The Plan Administrator and Director

Mr. Chansin Treenuchagron

Mr. Chansin Treenuchagron

The Plan Administrator / Director

Appointment Date

The Plan Administrator Jun 15, 2021 - Present Director Jun 4, 2020 - Present

Age 63 years

Education

- Honorary Doctorate of Science (Technology Management), Thammasat University
- Master of Economics, Chulalongkorn University
- Bachelor of Economics, Thammasat University

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Director Leadership Certification Program (DLCP), Class 4/2022
- Role of the Chairman Program (RCP), Class 49/2022
- IT Governance and Cyber Resilience Program, 2021
- The Role of the Board in IT Governance, 2020 $\,$
- Chartered Director Class (CDC), Class 11/2015
- Financial Statements for Directors (FSD), Class 12/2011
- Director Accreditation Program (DAP), Class 93/2011
- Director Certification Program (DCP), Class 85/2007
- Briefing on International Anti-Corruption: International Cases and Practices
- Other training
- Law of Democracy Course, Class 8/2020, Office of The Constitutional Court
- The Executive Program in Energy Literacy for a Sustainable Future, Class 7/2015, Thailand Energy Academy (TEA)
- Diploma, National Defence College, The National Defence Course, Class 57/2014, Thailand National Defence College
- Leadership Development Program III (LDP III), Class 1/2014, PTT Leadership and Learning Institute (PLLI), PTT Public Company Limited
- Advance Senior Executive Program (ASEP- 5), Class 5/2010 KELLOGG & SASIN, Chicago, United States
- Senior Executive Program (SEP), Class 20, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Advanced Certificate Course in Public Economic Administration for Executives, Class 10, King Prajadhipok's Institute

- Air War College, Class 35/2006
- Executive Development Relation, Class 1, Directorate of Civil Affairs
- PTT Executive Leadership, General Electric, GE, New York, United States
- Leadership Excellence through Awareness and Practice (LEAP), INSEAD,
 Singapore and France

Experiences

Listed Company on the Stock Exchange of Thailand

2023 - Present Independent Director, Member of the Nomination
Committee and Member of the Enterprise Risk

Management Committee, PTT Public Company

Limited

2022 - Present Independent Director and Member of the Remuneration

Committee, PTT Public Company Limited

Companies or other entities

Current

- Chairman, Y.S.S. (Thailand) Company Limited
- Honorary Member of the University Council, Thammasat University
- President, Thammasat Association

Work Experiences (5 Years Past Experiences)

May 2021 - Aug 2022	Honorary Member of the University Council,
	Thaksin University
Jul 2020 - Jun 2021	Acting President, Thai Airways International
	Public Company Limited
Jun 2020 - Jun 2021	Director and Plan Administrator, Thai Airways
	International Public Company Limited
2020 - 2022	Director, National Science and Technology
	Development Agency (NSTDA)
2020 - May 2022	Independent Director and Director to
	the Corporate Governance Committee,
	PTT Global Chemical Public Company Limited.
Sep 2018 - Aug 2020	Director, PTT Exploration and Production Public
	Company Limited
Aug 2018 - May 2020	President and Chief Executive Officer/Director/
	Secretary to the Board, PTT Public Company

Family Relationship between Directors and Executives None

Aug 2018 - May 2020 Chairman, IRPC Public Company Limited

Limited



Business Operations and Performance

Mr. Pornchai Thiraveja

The Plan Administrator

Appointment Date

The Plan Administrator Jun 15, 2021 - Present

Mr. Pornchai Thiraveja

Age 55 years

Education

- Doctor of Philosophy in Education (Non Formal Education), Chulalongkorn University
- Doctor of Philosophy in Management, Suan Dusit Rajabhat University
- Master of Political Science (Public Administration), Thammasat University
- Master of Business Administration (Finance), Notre Dame College, United States
- Bachelor's Degree in Accounting, Thammasat University

- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AACP), Class 40/2021
- Boards that Make a Difference (BMD), Class 10/2020
- Board Matters and Trends (BMT), Class 9/2020
- Director Certification Program (DCP), Class 227/2016
- Other Training
 - The Rule of Law for Democracy, Class 11, College of the Constitutional Court
- Diploma, National Defence Program, Class 64, Thai National Defence College
- E-Government for Chief Executive Officer Program: e-GCEO Class 6/2019, Thailand Digital Government Academy (TDGA)
- Leadership Program Class 26/2018 Capital Market Academy
- Advance Budget Management for Executive (Class 4/2017), Bureau of the Budget
- Senior Executive Program 2 (Class 8/2016), Civil Service Development Institute, Office of the Civil Service Commission
- Senior Executive Program 2 (Class 78/2013) Civil Service Development Institute, Office of the Civil Service Commission

Experiences

Listed Company on the Stock Exchange of Thailand

Feb 21, 2023 - Present	Director, Don Mueang Tollway Public
	Company Limited

Companies or other entities

companies or series criticis	
Current	
Apr 5, 2023 - Present	Director, IRPC Public Company
	Limited
Nov 12, 2021 - Present	Director, Bank of Thailand, and Member
	of the Financial Institutions Policy
	Committee
Nov 23, 2021 - Present	Chairman, Deposit Protection Agency
Oct 1, 2021 - Present	Director, General of the Fiscal Policy
	Office, Ministry of Finance
Oct 1, 2021 - Present	Spokesman of Ministry of Finance
Oct 1, 2021 - Present	Board Member, Capital Market
	Supervisory Board, The Securities and
	Exchange Commission, Thailand

Work Experiences (5 Years Past I	-xperiences)
Apr 12, 2022 - Oct 1, 2023	Director, Electricity Generating
	Authority of Thailand
Feb 24, 2022 - Mar 15, 2023	Independent Director, Esso (Thailand)
	Public Company Limited
Oct 16, 2021 - Dec 31, 2022	Vice Chairman of the Board of
	Directors, Aeronautical Radio of
	Thailand Company Limited
May 25, 2021 - Sep 30, 2021	Deputy Permanent Secretary,
	Office of The Permanent Secretary,
	Ministry of Finance
Oct 28, 2016 - May 24, 2021	Fiscal Policy Advisory, (Economist,
	Advisory Level), Fiscal Policy Office,
	Ministry of Finance

Family Relationship between Directors and Executives None



Air Chief Marshal Amnart Jeeramaneemai

Director

Appointment Date

Director Apr 26, 2018 - Present

Age 60 years

Education

• Bachelor of Science, Mechanical Engineering, Royal Thai Air Force Academy

Training

- Air Command and Staff College, United States Air Force (USAF)
- Air Command and Staff College, Royal Thai Air Force

Experiences

Listed Company on the Stock Exchange of Thailand

None

Companies or other entities

2018 - Present Grand Chamberlain (Operations),

Director General of the Royal Page Department and Royal Aide-de-camp,

Royal Security Command

Work Experiences (5 Years Past Experiences)

2020 Deputy Commander-in-Chief of the

Royal Security Command, Royal Security

Command

Chief Officers

THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED (THAI)



Mr. Chai Eamsiri

Chief Executive Officer

Appointment Date

Chief Executive Officer Feb 1, 2023 - Present

Age 62 years

Education

- Master of Business Administration in Management, Kasetsart University
- Bachelor of Business Administration in Marketing, Assumption University of Thailand

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class 174/2020
- CFO's Orientation Course, Stock Exchange of Thailand
- · Leadership Succession Program (LSP), Institute of Research and Development for Public Enterprises (IRDP)

Nominated Directorship in Subsidiaries, Associated Companies, or Related Companies

Current

- Chairman of the Board of Directors, THAI Smile Airways Company Limited
- Chairman of the Board of Directors, Thai Amadeus Southeast Asia Company Limited

Work Experiences (5 Years Past Experiences)

May 1, 2021 - Jan 31, 2022 Chief, Finance and Accounting Jan 4, 2021 - Apr 30, 2021 Executive Vice President, Finance and Accounting

Nov 19, 2020 - Jan 3, 2021 Vice President, Office of the

> President and Acting Executive Vice President, Finance and

Accounting

Apr 2020 - Feb 2021 Director, Bangkok Aviation Fuel

Services Public Company Limited

Jul 20, 2020 - Nov 18, 2020 Vice President, Petroleum

> Business, Corporate Insurance Aviation Environment Department, Acting Executive Vice President,

Finance and Accounting



Mr. Cherdphan Chotikhun

Chief, Technical

Appointment Date

Chief, Technical

May 1, 2021 - Present

Age 56 years

Education

- Master of Engineering in Industrial Engineering, Chulalongkorn University
- Bachelor of Engineering in Industrial Engineering, King Mongkut's University of Technology Thonburi

- Operations Leadership Development Program 2023, ASIA School of Business
- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class 172/2020
- Advanced Audit Committee Program (AACP), Class 50/2023
- Director Certification Program (DCP), Class 353/2024
- Leadership Succession Program (LSP), Class 9, Institute of Research and Development for Public Enterprises (IRDP)
- Professional Licenses
- The Civil Aviation Authority of Thailand (CAAT) approval for Head of Engineering (Nominated Post holder for Continuing Airworthiness) & Head of Maintenance
- The Civil Aviation Authority of Thailand (CAAT) approval for Accountable Manager of Approved Maintenance Organization
- The European Union Aviation Safety Agency (EASA) approval for Accountable Manager of Approved Maintenance Organization
- The Federal Aviation Administration (FAA) approval for Accountable Manager of Repair Station
- Certified Internal Auditor (CIA), The Institute of Internal Auditors (IIA), USA

Nominated Directorship in Subsidiaries, Associated Companies, or Related Companies

• Director, Suvarnabhumi Airport Hotel Company Limited

Work Experiences (5 Years Past Experiences)

Jan 22, 2020 - Apr 30, 2021 Executive Vice President, Technical Mar 2020 - Feb 2021

Director, Bangkok Aviation Fuel Services Public Company Limited

Dec 18, 2017 - Mar 2020 Director, Thai Flight Training

Company Limited

Aug 1, 2016 - Jan 21, 2020 Vice President, Personnel

Development and Training

Department

Family Relationship between Directors and Executives None

Lieutenant Junior Grade Supoj Charoensuk

Chief, Operations

Appointment Date

Chief, Operations Oct 1, 2021 - Present

Age 59 years

Education

• Bachelor of Science in Electrical Engineering, Royal Thai Naval Academy

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class 201/2023
- Quality Auditor Foundation, Wake (QA) Limited, United Kingdom
- Aviation Safety Management Training Directorate of Education and Training, Royal Thai Air Force (RTAF)

Nominated Directorship in Subsidiaries,

Associated Companies, or Related Companies

Current

- Chairman of the Board of Directors, Thai Flight Training Company
- · Director, Aeronautical Radio of Thailand Limited

Work Experiences (5 Years Past Experiences)

Director, Corporate Safety and May 1, 2021 - Sep 30, 2021 Quality Assurance Department

Mar 3, 2021 - Apr 30, 2021 Deputy Vice President, Office of

the President, and Acting Vice President, Aviation Safety, Security and Standards Department

Mission Commander,

Dec 4, 2018 - Mar 2, 2021 Flight Operations Support

Department

Chief Officers



Business Operations and Performance

Mrs. Chuntarica Jotikasthira

Chief, Human Resources

Appointment Date

Chief, Human Resources Oct 1, 2021 - Present

Age 55 years

Education

- Master of Business Administration in Marketing,
 City University of Seattle, Washington, United States
- Bachelor of Science, Srinakharinwirot University (Prasarnmit)

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class 201/2023
- Professional Coaching Certification Program, Thailand Coach Institute inPartnership with International Coaching Mastery
- Team Success under Pressure, South East Asia Center (SEAC)
- Change Management, College of Management Mahidol University (CMMU)
- Business Performance Improvement, Chulalongkorn University

Nominated Directorship in Subsidiaries.

Associated Companies, or Related Companies Current

- Chairman of the Board of Directors,
 Wingspan Services Company Limited
- Director, THAI Smile Airways Company Limited

Work Experiences (5 Years Past Experiences)

Mar 10, 2021 - Jan 1, 2023 Director, Thai Flight Training Company Limited

May 1, 2021 - Sep 30, 2021 Director, Business Partnerships and Human Resource Strategies

Department

Mar 11, 2021 - Apr 30, 2021 Vice President, Personnel

Development and Training

Department

Nov 27, 2020 - Mar 10, 2021 Director, Office of the Executive

Vice President, Human Resources, and Acting Vice President, Personnel Development and

Training Department

Oct 1, 2015 - Nov 26, 2020 Director, Aviation Business Training

Department

Family Relationship between Directors and Executives None

Mrs. Varangkana Luerojvong

Chief, Aviation Business Unit

Appointment Date

Chief, Aviation Business Unit May 1, 2021 - Present

Age 53 years

Education

 Master of Business Administration (MBA), Canterbury Business School, University of Kent, United Kingdom Bachelor of Arts (English), Chulalongkorn University

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class 200/2023
- Asia Pacific Government Leadership Program, General Electric, United States
- Leadership Succession Program (LSP), Class 7, Institute of Research and Development for Public Enterprises (IRDP)

Nominated Directorship in Subsidiaries,

Associated Companies, or Related Companies

Current

- Chairman of the Board of Directors, Phuket Air Catering Company Limited
- Vice Chairman of the Board of Directors, Suvarnabhumi Airport Hotel Company Limited

Work Experiences (5 Years Past Experiences)

• Jul 1, 2015 - Apr 30, 2021 Managing Director, Thai Catering (Business Unit) Department



Mr. Korakot Chatsingha

Chief, Commercial

Appointment Date

Chief, Commercial

Nov 1, 2022 - Present

Age 58 years

Education

- Master of Public and Private Management, National Institute of Development Administration
- Bachelor of Arts (Political Science), Chulalongkorn University

- Training Program Organized by the Thai Institute of Directors Association (IOD)
 - Director Accreditation Program (DAP), Class 245/2017
- Advance Master of Management Program, Class 1, Faculty of Public Administration, National Institute of Development Administration
- Certificate IV Frontline Management, Certified by Sales Master Association in Sydney, Australia

Nominated Directorship in Subsidiaries, Associated Companies, or Related Companies Current

- Director, THAI Smile Airways Company Limited
- Director, Thai-Amadeus Southeast Asia Company Limited

Work Experiences (5 Years Past Experiences)				
Aug 8, 2022 - Oct 31, 2022	Director, Sales Department,			
	Acting Head of Domestic Sales			
Dec 1, 2021 - Apr 28, 2023	Director, Tour Eurng Luang			
	Company Limited			
Sep 1, 2021 - Oct 31, 2022	Director, Sales Department			
May 1, 2021 - Aug 31, 2021	Managing Director, Ground			
	Services Department			
Mar 3, 2021 - Apr 30, 2021	Managing Director, Ground			
	Customer Services Department			
Oct 28, 2020 - Apr 27, 2022	Director, Suvarnabhumi Airport			
	Hotel Company Limited			
Oct 1, 2020 - Mar 2, 2021	Director, Office of the Executive			
	Vice President, Aviation Services			
	Business Unit, and Acting			
	Managing Director, Ground			
	Customer Services Department			
Dec 1, 2015 - Sep 30, 2020	Director, Sales Department,			

Family Relationship between Directors and Executives None

Thailand

Mr. Taviroj Songkumpol

Chief, Corporate Strategy

Appointment Date

Chief, Corporate Strategy Nov 10, 2022 - Present

Age 53 years

Education

- Master of Management, College of Management Studies, Mahidol University
- Bachelor of Education, Srinakharinwirot University (Prasanmit)

- Training Program organized by the Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP), Class 340/2023

Nominated Directorship in Subsidiaries,

Associated Companies, or Related Companies

Work Experiences (5 Years Past Experiences)

Work Exponences (6 Tears Tast Exponences)			
May 1, 2021 - Nov 9, 2022	Director, Corporate Strategy and		
	Development Department		
Feb 10, 2021 - Dec 1, 2021	Director, Thai-Amadeus Southeast Asia		
Company	Limited		
Mar 11, 2021 - Apr 30, 2021	Vice President, Revenue Management		
	and Commercial Services Department		
Oct 29, 2020 - Mar 10, 2021	Director, Office of the Executive Vice		
	President, Commercial, and Acting Vice		
	President, Revenue Management and		
	Commercial Services Department		
May 15, 2020 - Sep 21, 2020	Director, Commercial Strategy		
	Department Acting Director,		
	Sales Department - Indian Subcontinent		
	Group		
Dec 1, 2015 - Oct 28, 2020	Director, Commercial Strategy		
	Department		

Business Operations and Performance

Chief Officers



Mrs. Cherdchome Therdsteerasukdi

Chief, Financial and Accounting

Appointment Date

Chief, Financial and Accounting Feb 1, 2023

Age 49 years

Education

- Master of Arts in International Economics and Finance, Faculty of Economics, Chulalongkorn University
- Bachelor of Economics (Monetary and Fiscal Economics), Faculty of Economics, Chulalongkorn University

Training

- Financial and Fiscal Management Program for Senior Executives, Class 10
- Aircraft Finance & Asset Management by Air Business Academy

Nominated Directorship in Subsidiaries,

Associated Companies, or Related Companies

Current

- Director, THAI Smile Airways Company Limited
- Director, Don Mueang International Airport Hotel Company Limited

Work Experiences (5 Years Past Experiences)

May 1, 2021 - Jan 31, 2023 Director, Corporate Finance Department Nov 4, 2020 - Apr 30, 2021 Vice President, Corporate Finance Department

Feb 28, 2019 - Nov 3, 2020 Director, Capital Department, and Acting Vice President,

Corporate Finance Department

Aug 1, 2017 - Nov 3, 2020 Director, Capital Department



Mr. Suvadhana Sibunruang

Expert, Special Projects

Age 63 years

Education

• Bachelor of Science in General Studies, City University at Bellevue, Washington, United States

Training

- Top Executive Management Program on Industrial Development and Investment (Class 4), Institute of Business and Industrial Development (IBID)
- Mini MBA Program, Thammasat University
- Leadership Development for Vice President

Nominated Directorship in Subsidiaries,

Associated Companies, or Related Companies

Apr 8, 2022 - Feb 2, 2023 Phuket Airline Catering Company

Limited

Aug 5, 2020 - Mar 4, 2023 THAI Smile Airways Company Limited
Aug 5, 2020 - May 1, 2022 Wingspan Services Company Limited

Work Experiences (5 Years Past Experiences)

work Experiences (5 fears Past i	experiences
May 1, 2021 - Sep 30, 2021	Chief, Human Resources
Mar 30, 2021 - Apr 30, 2021	Executive Vice President, Aviation
	Business, Acting Executive Vice
	President, Human Resources
Jan 4, 2021 - Apr 30, 2021	Executive Vice President,
	Aviation Business Unit
Sep 22, 2020 - Jan 3, 2021	Vice President, Office of the
	President, and Acting Executive Vice
	President, Aviation Business Unit
Mar 9, 2020 - Sep 21, 2020	Vice President, Aviation Business Unit
	Department, Acting Managing
	Director, Cargo and Mail Commercial
	Department
Nov 20, 2018 - Mar 31, 2019	Vice President, Aviation Business Unit
	Department, Acting Director, Aviation
	Business Marketing Department

Mr. Otto Stephen Gergye

Commercial Advisor To The CEO

Age 47 years

Education

- Master of Business Administration (M.B.A.) OUBS Milton Keynes, UK
- Professional Diploma In Management
- Cert. Management (Marketing, Accounting)
- Level III Cert. Travel & Tourism

Work Experiences (5 Years Past Experiences)

Mar 2020 - Oct 2022 Sabre - Vice President, Consulting

(Global), Vice President, Sales (North Asia), Singapore

Aug 2018 - Mar 2020 Qantas - General Manager, Sales

Commercial Performance Asia,

Singapore





Business Operations and Performance

Mr. Surakit Rattanachand

Technical Expert, Aircraft Maintenance

Age 63 years

Education

• Bachelor's Degree in Electrical Engineering (Honours) King Mongkut's Institute of Technology Ladkrabang

- 2018 SAFRAN Passenger Innovation In-flight Entertainment Line Maintenance, Thailand
- 2013 B787 General Familiarization Boeing Commercial Airplane Company, Thailand
- 2013 Digital Multiplexed Passenger Entertainment System, Panasonic Avionics Corporation, Thailand
- 2012 In-flight Entertainment eX2 Line Maintenance. Panasonic Avionics Corporation, Thailand
- 2011 A300-800 Executive Familiarization, Thailand
- 2007 B777-300 Panasonic In-flight Entertainment 3Ki, Panasonic Avionics Corporation, Thailand
- 2002 Six Sigma Augmentation Master Black Belt, GE Aerospace, Cincinnati, Ohio, United States
- · 2002 B777-300 Total Entertainment System for Line Maintenance, Rockwell Collins Avionics & Communications, Pomona, California, United States
- 2002 Six Sigma Methodology Black Belt, GE Aerospace, Cincinnati, Ohio, United States
- 2000 A310/A300-600 Automatic Flight System and Maintenance Information, Sextant/Thales, Chatellerault, France
- 1999 Enhance Ground Proximity Warning System Operation & Line Maintenance, AlliedSignal, Redmond, Washington, United States
- 1999 B777 Backup Generator Line Maintenance and Oil Servicing, Sundstrand, Bangkok, Thailand
- 1998 B777-300 Cabin Cordless Telephone System, GEC Marconi, Thailand
- 1998 B777-200 & B777-300 Differences, Boeing Commercial Airplane Company, Thailand
- 1996 Cabin Telephone System Maintenance, GTE AirFone, Chicago, Illinois, United States
- 1996 Ground Proximity Warning & Windshear Warning System MK VII Line Maintenance, AlliedSignal, Aerospace, Redmond, Washington, United States
- 1996 B777 Air Data and Inertial Reference System, Honeywell, Minneapolis, Minnesota, United States
- 1996 Air Data Module for Line & Shop Maintenance, Honeywell, Minneapolis, Minnesota, United States
- 1996 Secondary Attitude and Air Data Reference Unit for Line & Shop Maintenance, Honeywell, Minneapolis, Minnesota, United States 1996 B777 Aircraft Information Management System, System operation.
- maintenance & trouble shooting, Honeywell, Phoenix, Arizona, United States
- 1996 B777 Familiarization and Line Maintenance, Honeywell, Minneapolis, Minnesota, United States • 1996 B777 Configuration Database Generator Course (CDG) for Cabin Management System,
- Boeing Commercial Airplane Company, Seattle, Washington, United States
- · 1995 B777 Aircraft Maintenance Avionics System, Boeing, Seattle, Washington, United States • 1995 Aircraft Communications Addressing and Reporting System, AlliedSignal, Redmond, Washington, United States
- 1994 B747-400 Advanced Cabin Entertainment and Passenger Service System, Thailand
- 1993 B747-400 Navigation and Automatic Flight System, Thailand
- 1993 Traffic Alert and Collision Avoidance System II, The Bendix/King Air Transport Avionics
- 1990 A300-B4 Flight Engineer License Type Rating, Flight Operation Department, Thailand
- 1988 B747-200/300 Aircraft Maintenance License, Thailand
- 1985 Aircraft Component Planning Administrative, Scandinavian Airlines System, Copenhagen, Denmark
- 1984 Electricity Generating and Electrical Transmission, Electricity Generating Authority of Thailand

Work Experiences (5 Years Past Experiences)

Oct 1, 2019 - Sep 30, 2020 Vice President, Aircraft Maintenance Department,

Thai Airways Public Company Limited

Director, Aircraft Maintenance Planning Department, Dec 1, 2016 - Sep 30, 2019

Thai Airways Public Company Limited

Mr. Louis Wuttichai

Technical Expert, Aircraft Maintenance

Age 63 years

Education

• Embry-Riddle Aeronautical University, Daytona Beach, Florida, United States - AS Maintenance technology 1980

Training

- EASA Maintenance Organization Exposition course
- EASA Part 145 Maint. Organization Approval, CAAi Instructor
- · Maintenance Error Decision Aid by Boeing, Boeing Instructor
- · Airplane Health Management Training, Boeing
- B773/ KE Diff.&Tech . Hdlg. Proc. (Obs.), Korean Airlines

Work Experiences (5 Years Past Experiences)

2023 - Present Advisor to CEO on Technical

& Maintenance

2021 - 2022 Consultant for Frost & Sullivan on

Project with CATC at EEC

2021 - 2022 Technical Advisor for NOK AIR on

Recovering an Aircraft Excursion

Runway at CEI

2016 - 2021 Head of Maintenance at NOK AIR



Mrs. Arawadee Phothisaro

Expert, Corporate Strategy and Planning, Organization Development and Digital Strategy

Age 62 years

Education

- Master of Business Administration in Management Information System (MIS), The University of Dallas, Texas, United States
- Bachelor of Accounting, Thammasat University

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD) - Director Certification Program (DCP), Class 253/2018
- The Executive Program in Energy Literacy for a Sustainable Future 2019, Class 13, Thailand Energy Academy
- Leadership Development Program for Sustainability class 3, PTT Leadership and Learning Institute
- Mitsui-HBS Global Management Academy, Harvard Business School, United States
- Breakthrough Program for Senior Executives, International Leading Business School (IMD), Lausanne, Switzerland.
- Study Mission to a Non-member Country on Regional Innovation Strategies and Knowledge Productivity, Thailand Quality Award, Geneva
- Leadership Succession Program (LSP) class 4, Institute of Research and Development for Public Enterprises (IRDP)
- Program for TLCA Executive Development Program (EDP), Class 5, Thai Listed Companies Association
- Program for Senior Executive on Justice Administration Class3, Judicial Training Institute

Work Experiences (5 Years Past Experiences)			
Nov 1, 2021 - Present	Expert, Corporate Strategy and Planning,		
	Organization Development and Digital		
	Strategy, Thai Airways International		
	Public Company Limited		
May 1, 2022 - Present	Director / Chairman of the Audit Committee /		
	Nomination and Remuneration Committee,		
	Amata U Company Limited		
Mar 1, 2023 - Present	Chairman of Risk Management Committee,		
	Amata U Company Limited		
Nov 6, 2022 - Present	Honorary Member of the University Council,		
	Thammasat University		
Feb 1, 2023 - Present	Senior Expert in Investment and Portfolio		
	Management, Dhipaya Group Holding		
	Company Public Company Limited		
Apr 1, 2021 - Sep 30, 2021	Director, Risk Management Committee,		
	PTT Oil and Retail Business Public		
	Company Limited		
Mar 3, 2020 - Sep 30, 2021	Chairman, Alpha Com Company Limited		
Jan 1, 2020 - Sep 30, 2021	Chairman, Sakari Resources Company Limited		
Oct 22, 2018 - Sep 30, 2021	Director, Risk Management Committee,		
	PTT Global Chemical Public		
	Company Limited		
Oct 1, 2018 - Sep 30, 2021	Senior Executive Vice President,		
	Corporate Strategy, PTT Public		
	Company Limited		
Apr 1, 2017 - Sep 30, 2018	Executive Vice President, PTT working		
	on a secondment as Managing Director,		

PTT Digital Solutions Company Limited

Mr. Preecha Pocatanawat

Expert, Human Resource Management and Corporate Sustainable Development

Age 63 years

Education

- Barrister-at-Law, The Institute of Legal Education, Thai Bar Association
- Bachelor of Laws and Bachelor of Business Administration, Ramkhamhaeng University

Training

2021 - Present

- Training Program Organized by the Thai Institute of Directors Association (IOD) - Director Certification Program (DCP), Class 261/2018
- Leadership Development Program (LDP) III 2018, Singapore
- IRDP Leadership & Effective Corporate Culture Program 2018, Institute of Research and Development for Public Enterprises (IRDP)
- Senior Executive Certificate in Anti-Corruption Strategic Management, Class 8/2017, Sanya Dharmasakti National Anti-Corruption Institute (SDI)
- Strategy and Innovation for Business in Asia Program (SIBA) Class 4/2015, College of Management, Mahidol University
- Leadership Development Program (LDP) II 2014, China

Work Experiences (5 Years Past Experiences)

Director, Thai Oil Public Company Limited
Director, IRPC Public Company Limited
Director and Chairman of the Board,
Business Services Alliance Company Limited
Director and Chairman of the Board,
Business Professional Solutions
Company Limited
Director, Energy Complex Company Limited
Director, Technology IRPC Company Limited
Senior Executive Vice President, Organization
Management and Sustainability,
PTT Public Company Limited
Executive Vice President, Corporate Human
Resources PTT Public Company Limited
Expert in Human Resource Management and
Corporate Sustainable Development

Subcommittee, Office of the Teacher Civil Service and Educational Personnel Commission

(OTEPC), Ministry of Education

Experts



Business Operations and Performance

Mr. Jiravut Vinaipanich

Expert, Procurement and Property Management

Age 63 years

Education

• Bachelor of Education Technology B.Ed., Srinakharinwirot University

Training

- Mini MBA, Thammasat University
- Social order management Public Sector joins the Private Sector, Police College, Royal Thai Police

Work Experiences (5 Years Past Experiences)

Aug 1, 2020 - Jan 2, 2022 Director, Wingspan Services Company Limited Aug 5, 2020 - Apr 1, 2022 Director, Phuket Airline Catering Company Limited Oct 1, 2016 - Dec 1, 2020 Vice President General Administration Department, Thai Airways International Public Company Limited

Mr. Chawalit Tippawanich

Expert, Development and Efficiency Improvement of Aviation Business

Age 61 years

Education

- Master of Engineering in Industrial Engineering and Management, Asian Institute of Technology (AIT)
- Bachelor of Engineering in Electrical Engineering (Telecommunications), King Mongkut's Institute of Technology Ladkrabang

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
 - Director Certification Program (DCP), Class 152/2011
- Advance Management Program (AMP187), Harvard Business School, Executive Education, United States
- GE Energy Customer Executive Leadership Program (GE: PTT Executive Leadership), GE Global Learning Crotonville Leadership Institute, United States
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (Batch 23), College of Politics and Governance, King Prajadhipok's Institute
- Top Executives in the Energy Education Program (Batch 12), Thailand Energy Academy
- The Joint State-Private Sector Course (Batch 5), Police College
- Leadership Development Program III (Batch 2), PTT Leadership and Learning Institute

Work Experiences (5 Years Past Experiences)

	• •
Dec 2020 - Sep 2022	Director / Member of the Risk Management Committee /
	President and Chief Executive Officer / Secretary of the
	Board of Directors, IRPC Public Company Limited.
Jan 2021 - Dec 2021	Chairman, IRPC Polyol Company Limited
Dec 2020 - Oct 2021	Vice President, PTT Energy Solutions Company Limited
Apr 2019 - Nov 2020	Director, Glow Energy Public Company Limited
Mar 2019 - Nov 2020	Director, Glow Company Limited
Mar 2019 - Nov 2020	Director, Glow SPP 2 Company Limited
Mar 2019 - Nov 2020	Director, Glow SPP 3 Company Limited
Mar 2019 - Nov 2020	Director, Glow SPP 2 Holding Company Limited
Mar 2019 - Nov 2020	Director, Glow SPP 11 Company Limited
Mar 2019 - Nov 2020	Director, Glow IPP Company Limited
Jan 2019 - Nov 2020	Director, Ratchaburi Power Company Limited
Nov 2018 - Nov 2020	Director, Xayaburi Power Company Limited,
	The War Veterans Organization of Thailand
Oct 2018 - Nov 2020	Director/ Member of the Risk Management Committee /
	President and Chief Executive Officer/ Secretary of the
	Board of Directors, Global Power Synergy Public Company
	Limited
2017 - 2018	Executive Vice President, Downstream Business Group
	Alignment, PTT Public Company Limited secondment in
	the position of Executive Vice President-Organization

Effectiveness of Thaioil Public Company Limited

Attachment 2

Details of Comptroller

Mr. Tras Prommobol

Director, Comptroller Department

Appointment Date

Director, Comptroller Department Jan 1, 2023 - Present

Age 47 years

Education

- Master of Business Administration, Accounting for Planning and Control, Kasetsart University
- Bachelor of Accounting, Kasetsart University

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class 208/2023

Nominated Directorship in Subsidiaries, Associated Companies, or Related Companies

May 2023 - Present Thai-Amadeus Southeast Asia Company Limited

Apr 2023 - Present Phuket Air Catering Company Limited

Work Experiences (5 Years Past Experiences)

May 1, 2021 - Dec 31, 2022 Head, Central Policy and Taxation Department

Dec 22, 2020 - Apr 30, 2021 Acting Director, Central Accounting,

Accounting Policy Development and Control Department

Feb 15, 2018 - Apr 30, 2021 Division Manager, Accounting Policy Development and Control Division

Details of the Head of the Internal Audit

Mr. Wattichai Toaudta

Head of the Office of the Internal Audit

Appointment

Head of the Office of the Internal Audit

Oct 2, 2023 - Present

Age 38 years

Education

- Master of Economics (Finance and Banking), Ramkhamhaeng University
- Bachelor of Economics (Finance and Banking), Ramkhamhaeng University

Professional qualifications

- Certified Internal Auditor (CIA), Institute of Internal Auditors (IIA), United States
- Internal Audit Certificate Program (IACP)

Trainings

- Training courses organized by the Thai Institute of Directors Association (IOD)
 - Ethical Leadership Program (ELP), Class 30/202
 - Anti-Corruption: The Practical Guide (ACPG), Class 62/2023
 - Corruption Risk & Control: Technical Update (CRC), Class 16/2023
- Training courses organized by the Federation of Accounting Professions Under The Royal Patronage of His Majesty the King
- CAE Chief Audit Executive Professional Leadership Program, Class 3
- Information Technology Audit (IT AUDIT)
- Training courses organized by the Institute of Internal Auditors of Thailand
 - COSO 2013 Internal Control Certificate
- COSO ERM Integrated Framework Enterprise Risk Management
- Audit Program Development
- Audit Report Writing
- Audit Working Paper and Audit Evidence
- Internal Audit Procedures
- Tools and Techniques for the Beginning
- Training courses organized by Dharmniti Seminar and Training Company Limited
- 85 Corrupt Behaviors within an Organization and How to Prevent and Manage
- Business Contract Reviewing Techniques, Executive Edition
- Corruption Risk Management Program, the Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Energy Management for Auditor, Class 14, Ministry of Energy

Nominated Directorship in Subsidiaries, Associated Companies, or Related Companies

Work Experience (5 Years Past Experiences)

Jul 1, 2022 - Sep 15, 2023

Head of the Office of Internal Audit,

Asian Alliance International Public Company Limited

Apr 1, 2012 - Jun 30, 2022

Manager, Internal Audit Department,

Premier Fission Capital Company Limited (Premier Group)

Details of Corporate Compliance and Corporate Secretary

Mrs. Chillada Na Chiangmai

Corporate Secretary and Director, Corporate Compliance Department

Appointment Date

Director, Corporate Compliance Department May 1, 2021 - Present Corporate Secretary Oct 2, 2020 - Present

Age 56 years

Education

- Master of Public Administration, City University of Seattle, United States
- Bachelor of Arts (Anthropology), Silpakorn University

Training

- Training Program Organized by the Thai Institute of Directors Association (IOD).
 - Company Secretary Program (CSP), Class 110/2020
 - Board Reporting Program (BRP), Class 37/2021
 - Effective Minute Taking (EMT), Class 50/2022
 - Company Reporting Program (CRP), Class 36/2023

Nominated Directorship in Subsidiaries, Associated Companies, or Related Companies

Work Experiences (5 Years Past Experiences)

Mar 3, 2021 - Apr 30, 2021

Corporate Secretary and Vice President,

Corporate Secretariat Department

Oct 2, 2020 - Mar 2, 2021

Corporate Secretary and Acting Vice President,

Corporate Secretariat Department

May 2, 2017 - Oct 1, 2020

Director, Office of the Board of Directors and General Affair

Department

Responsibilities

The Company Secretary ensures that the Company's operations are carried out in accordance with corporate governance guidelines and regulatory requirements, including advising Company Directors on compliance with regulations related to the business of the Company and listed companies and relevant laws on securities, except matters relating to financial reporting. The Company Secretary also oversees and evaluate the performance of units under command, including corporate governance, corporate compliance, corporate oversight, operations of the Data Privacy Office, and regulatory compliance, ensuring that assigned missions are executed to realize the objectives and goals of the Company.

Attachment 3

Details of Directors of Subsidiaries As of December 31, 2023

		Subsidiaries				
List of Directors	THAI Smile Airways Company Limited	Thai Amadeus Southeast Asia Company Limited	Wingspan Services Company Limited	Thai Flight Training Company Limited	Tour Eurng Luang Company Limited	
1.	Mr. Chai Eamsiri	•	•	-	-	-
2.	Lieutenant Junior Grade Supoj Charoensuk	-	-	-	•	-
3.	Mrs. Chuntarica Jotikasthira	•	-	•	-	-
4.	Mr. Korakot Chatsingha	•	•	-	-	-
5.	Mrs. Cherdchome Therdsteerasukdi	•	-	-	-	-
6.	Mr. Tras Prommobol	-	•	-	-	-
7.	Mr. Kittiphong Sansomboon	-	-	-	-	•
8.	Flying Officer Chingcheep Burirak	-	-	-	•	-
9.	Mr. Saksit Masaphan	-	-	•	-	-
10.	Mr. Wit Kitchathorn	-	-	-	-	•
11.	Mrs. Onanong Junhaman	-	-	-	•	-
12.	Flying Officer Kongkiat Damraks	-	-	-	•	-
13.	Ms. Usana Thongkam	-	•	-	-	-
14.	Mrs. Jirada Chomthong	-	-	-	•	-
15.	Mr. Noparat Yeesun	-	-	-	•	-
16.	Mrs. Siraporn Rattanasate	-	-	•	-	-
17.	MR. Preecha Pocatanawat	-	-	•	-	-

Attachment 4

Policy and practice guidelines on corporate governance and business ethics

Details of the Company's corporate governance practice and corporate governance manual can be found by scanning the QR Code below.



Statement

Attachment 5

Report of the supervisory role with an oversight responsibilities similar to the role of Audit Committee for the Year 2023

The Company is in the Process of Rehabilitation

The Plan Administrators, at its meeting No. 4/2021 on July 1, 2021 Yes, resolved to task Mr. Pornchai Thiraveja, Plan Administrator, to oversee the work of the Office of Internal Audit and work under the scope of the Audit Committee.

The duties and responsibilities of the Supervisor of Work under the scope of the Audit Committee are specified in the Audit Committee Charter, which are consistent with the Stock Exchange of Thailand's regulations. A summary of the main responsibilities performed by the Supervisor of Work under the scope of the Audit Committee in 2023 is as follows:

1. Review of Financial Statements

The Supervisor of work under the scope of the Audit Committee, together with the finance and accounting executives, and external auditors have jointly reviewed company's quarterly and annual financial statements, consolidated financial statements, related transaction including the reviews of financial reports, financial statement disclosure, accounting policy and significant accounting projections, as well as observations from the examination and review of external auditors and the supporting explanations and analysis of the company's financial status and performance. The Supervisor of work under the scope of the Audit Committee had asked the external auditors' opinion about the accuracy and completeness of financial statements, adequacy and suitability of the account recording methods and information disclosure including adjustment entries materially affecting the statements to ensure that the financial statements were accurate and completed to Thai Financial Reporting Standards and Thai Accounting Standards.

In addition, an exclusive session between the Supervisor of work under the scope of the Audit Committee and the external auditors was organized without the presence of company executive management.

2. Review of Adequacy and Effectiveness of Internal Control and Risk Management System

The Supervisor of work under the scope of the Audit Committee has examined the Office of the Internal Audit's audit reports to assess the efficacy of internal controls pertaining to operational efficiency, error prevention and mitigation, fraud detection, and regulatory compliance. A joint meeting was convened between the Supervisor of work under the scope of the Audit Committee and the executive management of the company. The purpose of this meeting was to facilitate communication and discussion on key matters concerning risk management, internal control, and oversight. Additionally, the Head of the Risk Management Department has also participated in the Supervisor of work under the scope of the Audit Committee meeting to report on the company's significant risks and providing instruction on how to mitigate and manage those risks.

Furthermore, the Supervisor of work under the scope of the Audit Committee reviewed the company's internal control system and concurred with the Plan Administrators that the company maintains an adequate internal control system.

3. Review of Related Party Transactions

The Supervisor of work under the scope of the Audit Committee has reviewed and provided opinions on the Company's related party transactions in compliance with the Notification of the Board of Governors of the Stock Exchange of Thailand to reassure it that related party transactions were performed in a transparent manner,



such that the stakeholders did not have any involvement or manipulation of the decisions and that the decisions were made solely based on the company's interests as if the transactions were performed with external parties. The Supervisor of work under the scope of the Audit Committee has acknowledged the related transactions reports on a quarterly basis, and has ensured that the transactions were properly disclosed and sufficiently complete.

4. Legal and Regulatory Compliance Review

The Supervisor of work under the scope of the Audit Committee acknowledged reports on the regulatory compliance of the Company's business operations and fraud complaints from the Corporate Compliance Department. To ensure effective compliance monitoring in line with relevant laws, rules, and regulations, the Supervisor of work under the scope of the Audit Committee inquired about various measures aimed at reducing and preventing instances of fraud.

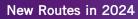
5. Monitoring of Internal Audit Activities

The Supervisor of work under the scope of the Audit Committee reviewed and approved the audit plan developed by The Office of the Internal Audit, closely monitored its execution, and assessed the outcomes of audits conducted by the Office of the Internal Audit. the Supervisor of work under the scope of the Audit Committee recommended measures to ensure good governance and sufficient internal control, and also acknowledged the performance and any issues from the Office of the Internal Audit on a quarterly basis. Furthermore, the Supervisor of work under the scope of the Audit Committee encouraged the Office of the Internal Audit in various aspects, including personal development, to help achieve its goals.

In addition, the Supervisor of work under the scope of the Audit Committee has endorsed the review of Office of the Internal Audit's charter and annual budget and approved Functional Key Performance Indicators (KPIs) for the Head of Office of the Internal Audit. Additionally, the Head of the Office of the Internal Audit had their competency appraised by the Supervisor of work under the scope of the Audit Committee.

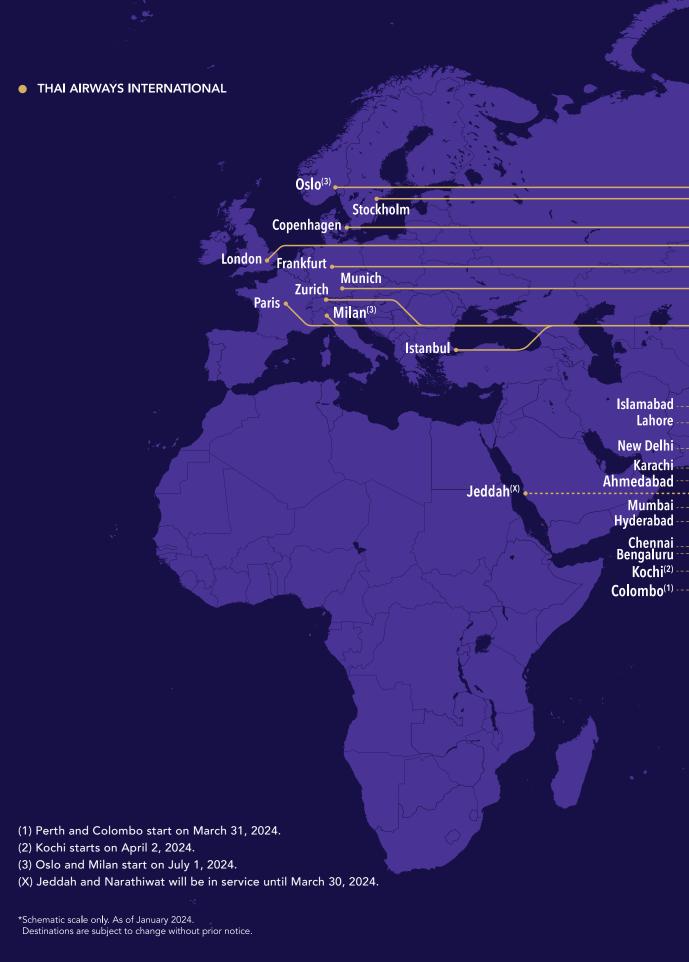
6. Proposal of an Appointment of External Auditor for the Year 2023

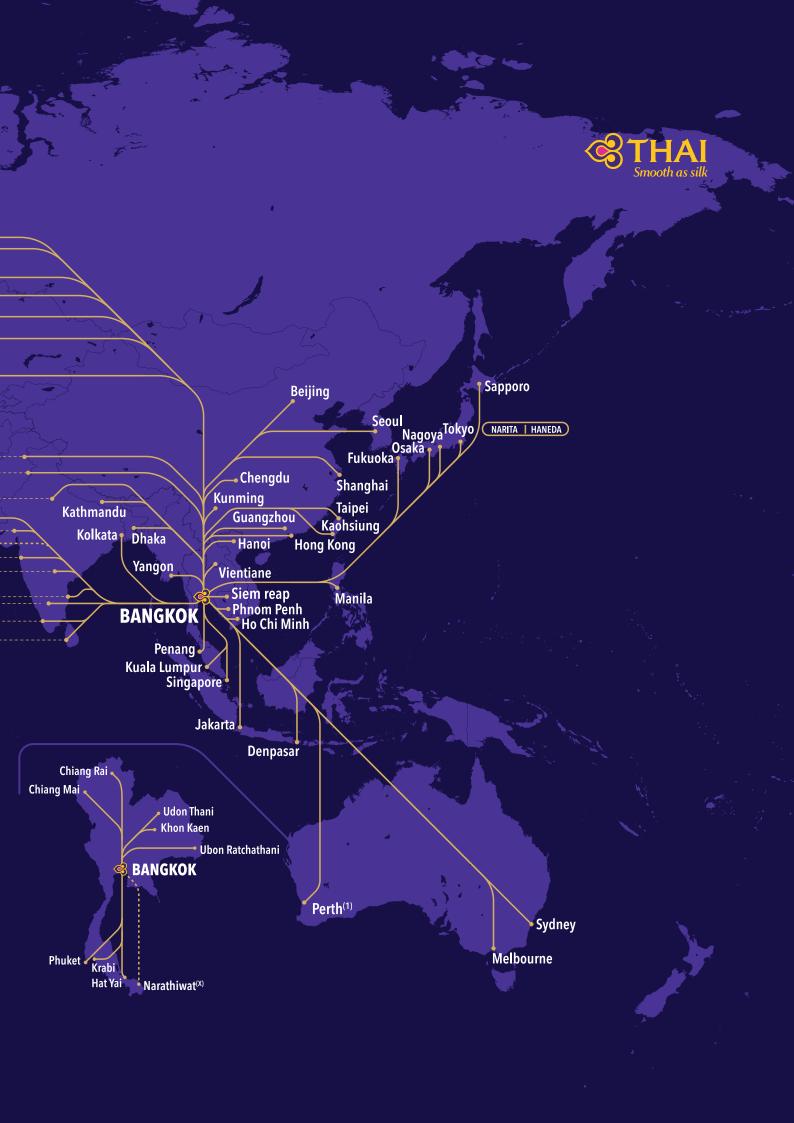
The Supervisor of work under the scope of the Audit Committee, concurred with the selection of Deloitte Touche Tohmatsu Jaiyos Co., Ltd. as the Company's certified public accountant for the Year 2023. This selection was then submitted to the Plan Administrators for approval and determination of remuneration.



















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