

Management's Discussion and Analysis for year ended December 31, 2024, for Thai Airways International Public Company Limited and Its Subsidiaries

1. Executive summary

In 2024, the global economy remained stable. The International Monetary Fund (IMF) reported global economic growth of approximately 3.2%, a slight decline from the previous year's 3.3% and lower than the 20-year average (2000–2019) of 3.7% per year. The U.S. economy is expected to grow better than anticipated, driven by consumer spending. Meanwhile, China, Japan, and India are projected to experience lower-than-expected growth. Therefore, economic recovery varies across countries, with some still affected by policy uncertainties, geopolitical risks, exchange rate volatility, and rising living costs. As a result, many countries have adopted tighter monetary policies. Additionally, climate change continues to have an economic impact.

However, in 2024, the world aviation industry continues to show growth in both passenger travel demand and cargo transportation, driven by consumer and business demand. The Revenue Passenger Kilometers (RPK) increased by 10.4% compared to the same period of the previous year, while the cabin factor rose to 83.5% from 82.2%. In 2024, RPK surpassed pre-pandemic levels in 2019 by 3.8%. Revenue Freight Ton-Kilometers (RFTK) increased by 11.3% compared to the same period last year, with the freight load factor improving to 45.9% from 44.3%. For the Asia-Pacific region, the Association of Asia Pacific Airlines (AAPA) indicated that, following the COVID-19 pandemic, airlines in the region have been supported by the relaxation of visa policies, boosting both leisure and business travel. In 2024, international passenger numbers reached approximately 365 million, an increase of 30.5% compared to the same period of the previous year. Available Seat Kilometers (ASK) and RPK grew by 26.6% and 28.0%, respectively, while Cabin Factor reached 81.6%, up from 80.7%. Meanwhile, Available Dead Load Kilometers (ADTK) increased by 14.6%, RFTK rose by 14.9%, and the freight load factor reached 61.0%, up from 60.8%.

The Office of the National Economic and Social Development Council reported Thailand's overall economy in 2024 expanded by 2.5% from 2.0% in 2023. This growth was driven by a 4.4% increase in private consumption and a 2.5% rise in government consumption expenditure. Public investment expanded by 4.8%, supported by the growth of merchandise exports and the recovery of the tourism sector and related services. In 2024, Thailand welcomed 35.5 million tourists, an increase of 7.4 million or 26.3% from the previous year. The growth was driven by the Visa Exemption measures and the Ease of Traveling policy. This figure represents 89.1% of the pre-pandemic tourist numbers recorded in 2019. In 2024, approximately 72.6% of tourists were from the Asia-Pacific region. The top five countries with the highest number of visitors to Thailand are China, Malaysia, India, South Korea, and Russia. Passenger traffic through Thailand's six main airports, the total number of travelers in 2024 is expected to reach approximately 124.0 million, an increase of 17.1%. Of these, around 61.8% or approximately 76.6 million passengers are international travelers, representing a growth rate of 28.1% compared to the same period in the previous year.

In 2024, Thai Airways International Public Company Limited (“THAI”) continued to implement the business rehabilitation plan. There were essential operations including:

- Fleet efficiency improvement: by taking delivery of 6 Airbus A350-900, 2 Airbus A330-300 and 1 Boeing 787-9 aircraft.
- Route expansion to increase efficiency in revenue generation from transportation business. THAI increasing flight frequencies to Hong Kong, Singapore, Taipei, Manila, Denpasar, Sydney, Tokyo (Narita), Nagoya, Beijing, Kunming, Shanghai, Chengdu and Phuket. Resuming flights to Perth, Australia; Colombo, Sri Lanka; Milan, Republic of Italy; Oslo, Kingdom of Norway; and Brussels, The Kingdom of Belgium. Also, launched a new route to Kochi, India. Furthermore, increased flight frequencies for special occasions, such as domestic flights during the Songkran festival, and operated special pilgrimage flights for Hajj travelers to Saudi Arabia.
- Exploitation of non-core assets which no longer used in business operations by selling;
 - 1 Boeing 747-400, 3 Boeing 777-200, 2 Airbus A340-500 and 4 Airbus A340-600 aircraft
 - 3 decommissioned spare engines
 - Residential property in London, United Kingdom
 - Other assets
- Environmental Commitment for Sustainable Growth, THAI is committed to achieving net-zero greenhouse gas emissions by 2050, under three pillars: FROM PLANES TO PLANET (flying for the environment); FROM WASTE TO WEALTH (enhancing the economic value); and FROM PURPLE TO PURPOSE (driven from the heart toward sustainable goals). The following projects have been implemented:
 - Signed a Memorandum of Understanding with PTT Global Chemical Public Company Limited and PTT Oil and Retail Business Public Company Limited, to promote the use of Sustainable Aviation Fuel (SAF) to reduce greenhouse gas emissions. This initiative aligns with global standards set by the International Civil Aviation Organization (ICAO) and aims to position Thailand as a low-carbon country. It also represents a tangible implementation of the Sustainable Development Goals (SDGs), enhancing global awareness of environmental conservation and sustainable business operations in line with the ESG principles that are widely prioritized worldwide.
 - Collaboration with CIRCULAR and Thai Designer from 10 fashion and lifestyle brands to create a special fashion and lifestyle product collection by repurposing unused uniforms of THAI to design fashion and lifestyle products.
 - Organized the "FROM CART TO ART PIECE" event, a competition to design graphic patterns on unused carts. The focus was on creatively repurposing waste materials to add value, promoting a Circular Economy. The event provided an opportunity for students and the general public to showcase their creativity under the concept of Zero Waste Living.
- The capital restructuring: To strengthen financial stability, ensure continuous and sustainable growth, optimize business operations, and compete effectively in the global aviation industry, THAI completed the debt-to-equity conversion under the business rehabilitation plan in November 2024, which consists of (1) The conversion of debt-to-equity which is the obligation of the creditor under the business rehabilitation plan into newly

issued ordinary shares (Mandatory Conversion) by repay the outstanding principal of Class 4 Creditor (Ministry of Finance) and also, repay the outstanding principal of Class 5 Creditor, Class 6 Creditor (financial institutions) and Class 18-31 Creditor (debenture creditors), at 24.50% of the principal. Totaling approximately THB 37,601.9 million, equivalent to around 14,773.7 million newly issued ordinary shares. (2) The voluntary conversion of the existing debts into additional equity under the business rehabilitation plan, amounting to approximately THB 12,500.1 million, equivalent to around 4,911.2 million newly issued ordinary shares. (3) Exercise of the right by the creditors to voluntary convert suspended new interest into equity, totaling approximately THB 3,351.2 million, equivalent to around 1,304.5 million newly issued ordinary shares. In addition, THAI has offered for sale of the newly issued ordinary shares to the existing shareholders prior to the capital restructuring pursuant to the business rehabilitation plan, as well as employees of the company and to the investors in private placement, at an offering price of THB 4.48 per share, amounting to approximately THB 22,987.2 million, equivalent to around 5,131.07 million newly issued ordinary shares.

- In 2024, THAI receives awards from various institutions, such as:
 - At the 17th Readers' Choice Awards 2024 by DestinAsian, the leading travel magazine in the Asia-Pacific region, THAI received 5 awards, including 3rd place for Best Airlines, 3rd place for Best Airlines: Premium Classes, 3rd place for Best Airlines: Economy Class, 3rd place for Best Frequent-Flier Programs, and 5th place for Best In-Flight Entertainment
 - Skytrax World Airline Awards 2024, THAI ranked 6th for World's Best Airport Services, 8th for World's Best Airline Cabin Crew, and 8th for Best Airline Staff in Asia.
 - Travel & Leisure World's Best Awards 2024, THAI was ranked 8th for Best International Airlines
 - The 33rd annual TTG Travel Awards in 2024, based on votes from readers of publications under TTG Travel Trade Publishing, recognized THAI with two prestigious awards: TTG Travel Hall of Fame and Best Inflight Service. The TTG Travel Hall of Fame award is given to individuals or organizations that have won the same category for 10 consecutive years. Thai Airways achieved this distinction by winning the Best Airline in Southeast Asia award for 10 consecutive years. As a result, the airline has been inducted into the TTG Travel Hall of Fame since 2016 and continues to hold this honor today.
 - Guest Experience of the Year Award from the "Taste of Thai Tales" project, a contemporary Thai dining experience using local ingredients to support the community, at the Travel Daily Media-Travel Trade Excellence Awards 2024.

As of December 31, 2024, THAI operated a total of 79 aircraft, with an average aircraft utilization of 13.2 hours, with a total of 16.14 million passengers, an increase of 17.3% from the same period last year. Available Seat Kilometers (ASK) increased 11,416 million or 21.0% and Revenue Passenger Kilometers (RPK) increased 8,473 million or 19.6% from the same period last year. The average cabin factor decreased from 79.7% to 78.8%. The average passenger yield (including fuel and insurance surcharges) was 2.98 THB, decreased by 2.6% from last year. Available Dead Load Ton-Kilometers (ADTK) increased 711 million or 24.8%, and Revenue Freight Ton-Kilometers (RFTK) also increased 378 million by 25.5% from the same period last year. The average freight load factor increased from 51.7% to 52.0%.

THAI and its subsidiaries had total revenue (excluding one-time items) of THB 187,989 million, THB 26,922 million (16.7%) higher than the same period last year. Mainly from an increase in transportation revenue of THB 24,035 million (16.2%), resulting from passenger revenue increased by THB 22,231 million (16.7%) due to the increase in the number of flights and routes to accommodate the increasing passenger demand. In 2024, THAI has increased flight frequencies on Asia-Pacific routes, such as Tokyo (Narita), Nagoya, Beijing, Shanghai, Hong Kong, and Taipei etc. Additionally, THAI has resumed services to Perth, Colombo, Milan, Oslo, and Brussels. A new route to Kochi has also been introduced, further expanding the company's network. Consequently, THAI had the routes network servicing to 64 destinations across 27 countries all over the world, whereas 8 destinations were domestic (excluding Bangkok). Freight and mail revenue increased by THB 1,804 million (11.7%) from a 25.5% increase in RFTK, even though the average freight yield decreased by 10.2%. In addition, THAI and its subsidiaries had revenue from other business increased by THB 1,632 million (17.7%), mainly due to increased revenue from business units, driven by the increase in both the number of flights and passengers on customer airlines. Other income increased by THB 1,255 million (34.7%). Total expenses (excluding one-time items) increased by THB 25,618 million (21.2%) higher than the previous year, according to higher production and/or traffic, more flights, more destinations, and an increase in passenger numbers. Moreover, operating costs increased due to several factors, such as aircraft repair and maintenance costs have risen due to higher estimated costs associated with an increased number of operational aircraft. Flight services expenses have also increased due to higher ground service rates. Additionally, sales and advertising expenses have grown in line with an increased in ticket reservations and also an increase in other expenses. As a result, THAI and its subsidiaries reported an operating profit before finance costs (excluding one-time items) of THB 41,515 million, THB 1,304 million (3.2%) higher than the same period last year.

THAI and its subsidiaries recognized finance costs, according to Thai Financial Reporting Standards No. 9: TFRS 9 amounted of THB 18,781 million, THB 3,170 million (20.3%) higher than the previous year. In addition, THAI and its subsidiaries had net one-time items as expenses of THB 49,260 million, mainly from loss on debt restructuring approximately THB 45,271 million which is a one-time accounting loss resulting from the debt-to-equity conversion under the business rehabilitation plan. (Please refer to the section "Loss from Debt Restructuring" on page 11 for further details.) Other one-time items also consisted of impairment loss of assets, loss on foreign currency exchange and adjustment of inventory for non-fleet aircraft. Net of the adjustment for outdated passenger ticket revenue and tickets fee expiration adjustment. As a result, in 2024, THAI and its subsidiaries had a net loss of THB 26,901 million, while the previous year recorded a net profit of THB 28,123 million, with a loss attributable to the parent company of THB 26,934 million, resulting in loss per share of THB 6.26, while the previous year recorded a profit of 12.87 baht per share. EBITDA after deducting cash for debts payment according to the terms of the aircraft lease agreement including aircraft lease fees calculated from actual aircraft use (Power by the Hour) was THB 41,839 million, THB 1,036 million (2.4%) lower than last year.

2. Summary of Operating Results: THAI and its subsidiaries

The consolidated financial statements for 2024 consists of THAI's financial statement and 5 subsidiary companies which are 1) Thai-Amadeus Southeast Asia Co., Ltd., 2) WingSpan Services Co., Ltd., 3) Thai Smile Airways Co., Ltd., 4) Thai Flight Training Co., Ltd., and 5) Tour Eurmg Luang Co., Ltd.

Financial Performance: THAI and its subsidiaries

	Jan – Dec			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	187,989	161,067	+26,922	+16.7
- Passenger and excess baggage revenue	154,968	132,737	+22,231	+16.7
- Freight and mail revenue	17,268	15,464	+1,804	+11.7
- Revenue from other businesses	10,877	9,245	+1,632	+17.7
- Other income	4,876	3,621	+1,255	+34.7
Total operating expenses	146,474	120,856	+25,618	+21.2
- Fuel and oil	50,474	47,765	+2,709	+5.7
- Non-fuel operating expenses	96,000	73,091	+22,909	+31.3
Operating Profit before finance costs exclude				
one-time items	41,515	40,211	+1,304	+3.2
Finance costs	18,781	15,611	+3,170	+20.3
Operating Profit exclude one-time items	22,734	24,600	-1,866	-7.6
Outdated passenger ticket revenue adjustment	4,136	-	+4,136	-
Tickets fee expiration adjustment	539	-	+539	-
Gain on derivatives	106	-	+106	-
Share of gain of associates	63	64	-1	-1.6
Gain on sale of assets	51	469	-418	-89.1
Adjustment of holiday compensation for retired employees	-	(92)	+92	+100.0
Adjustment of per diem compensation for retired employees	-	(250)	+250	+100.0
Rental adjustment: Don Mueang office	-	(400)	+400	+100.0
Impairment loss in accordance with TFRS 9	(22)	(106)	+84	+79.2
Mutual Separation Plan (MSP)	(25)	(281)	+256	+91.1
Severance Pay	(119)	(16)	-103	-643.8
Loss on foreign currency exchange	(906)	(1,066)	+160	+15.0
Adjustment of inventory for non-fleet aircraft	(1,329)	-	-1,329	-
Impairment loss of assets	(6,483)	(77)	-6,406	-8,319.5
Gain (Loss) from debt restructuring	(45,271)	3,956	-49,227	-1,244.4
Profit (Loss) before tax	(26,526)	26,801	-53,327	-199.0
Net Profit (Loss)	(26,901)	28,123	-55,024	-195.7
Profit (Loss) attributable to owners of parent	(26,934)	28,096	-55,030	-195.9
Net Profit (Loss) per share (THB)	(6.26)	12.87	-19.13	-148.6

		Jan – Dec			
		2024	2023	Variance	
				Amount	%
Significant operating data					
EBITDA – Aircraft Lease Payment	(MTHB)	41,839	42,875	-1,036	-2.4
Number of passengers	(Million)	16.14	13.76	+2.38	+17.3
Available Seat Kilometers	(Million)	65,696	54,280	+11,416	+21.0
Revenue Passenger Kilometers	(Million)	51,741	43,268	+8,473	+19.6
Cabin Factor	(%)	78.8	79.7		-0.9
Passenger Yield	(THB/RPK)	2.98	3.06	-0.08	-2.6
Available Dead Load Ton-Kilometers	(Million)	3,575	2,864	+711	+24.8
Revenue Freight Ton-Kilometers	(Million)	1,859	1,481	+378	+25.5
Freight Load Factor	(%)	52.0	51.7		+0.3
Freight carried	(Ton)	431,320	340,825	+90,495	+26.6
Freight Yield	(THB/RFTK)	9.17	10.21	-1.04	-10.2
Number of aircraft in operations (As of Dec 31)	(Aircraft)	79	70	+9	+12.9
Flight hours	(Hours)	323,289	270,618	+52,671	+19.5
Aircraft utilization	(Hours/Aircraft/Day)	13.2	12.2	+1.0	+8.2
Average foreign currency exchange rate					
1 USD : THB		35.2935	34.8022	+0.4913	+1.4
1 EUR : THB		38.1751	37.6238	+0.5513	+1.5
100 JPY : THB		23.3253	24.8223	-1.4970	-6.0
Currency foreign exchange rate as at Dec 31					
1 USD : THB		34.1461	34.3876	-0.2415	-0.7
1 EUR : THB		35.7819	38.3988	-2.6169	-6.8
100 JPY : THB		21.8877	24.5752	-2.6875	-10.9
Average jet fuel price	(USD/BBL)	104.64	113.01	-8.37	-7.4

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

Summary of THAI and its subsidiaries

Revenues

In 2024, THAI and its subsidiaries had total revenue (excluding one-time items) of THB 187,989 million, an increase of THB 26,922 million (16.7%). As for the following details:

- **Passenger and excess baggage revenue**

Passenger and excess baggage revenue, the majority income of THAI, accounting for 82.4% of total income (excluding one-time items), amounting to THB 154,968 million, an increase of THB 22,231 million (16.7%) from the previous year.

Passenger and Excess Baggage Revenue by Region – THAI and its subsidiaries

Unit : MTHB	2024	2023	Variance	
			MTHB	%
Domestic Routes	8,300	6,576	+1,724	+26.2
International Routes	146,668	126,161	+20,507	+16.3
Asia	79,623	68,442	+11,181	+16.3
Europe	52,637	45,937	+6,700	+14.6
Australia	14,408	11,782	+2,626	+22.3
Total Passenger and excess baggage revenue (excluding one-time items)	154,968	132,737	+22,231	+16.7

Passenger Operations Performance by Region – THAI and its subsidiaries

	Variance from Last Year (%)		Cabin Factor (%)	
	ASK	RPK	2024	2023
Domestic Routes	-5.7	-3.3	91.0	88.7
International Routes	+22.3	+20.8	78.3	79.3
Asia	+21.2	+22.9	75.1	74.1
Europe	+19.5	+16.3	82.6	84.8
Australia	+38.3	+29.0	78.3	83.9
Total	+21.0	+19.6	78.8	79.7

- Revenue Passenger Kilometers (RPK) increased by 19.6% or approximately THB 26,000 million. While, Available Seat Kilometers (ASK) increased by 21.0% as this year THAI increased the number of flights and destinations to accommodate the increasing demand of passenger travel, by increasing flight frequency on routes in the Asia-Pacific region, such as Tokyo (Narita), Nagoya, Beijing, Shanghai, Hong Kong, Taipei, etc., and resuming services on flights to Perth, Colombo, Milan, Oslo, and Brussels. Additionally, launched new flight route to Kochi.

- Cabin factor decreased from 79.7% to 78.8%, mainly due to increased competition in the aviation industry, the return of other airlines to service, and other economic factors, which led to a decrease in the passenger load factor. Additionally, the company resumed services on routes such as Perth, which is still in the process of building brand awareness among customers.

Average Passenger Yield by Region – THAI and its subsidiaries

Unit : THB/person-KM	2024	2023	Variance	
			THB	%
Domestic Routes	3.93	3.00	+0.93	+31.0
International Routes	2.95	3.06	-0.11	-3.6
Asia	3.32	3.50	-0.18	-5.1
Europe	2.64	2.68	-0.04	-1.5
Australia	2.48	2.62	-0.14	-5.3
Total Average Passenger Yield	2.98	3.06	-0.08	-2.6

- Average passenger yield (including fuel and insurance surcharges) was 2.98 THB, lower than last year by 0.08 THB or approximately THB 4,100 Million. Although the company was able to increase average passenger yield on domestic routes by transferring aircraft from Thai Smile, enabling better management. However, the average

passenger yield on international routes declined due to increased competition from more returned to service of other airlines.

- **Freight and mail revenue**

Freight and mail revenue which accounted for 9.2% of total revenue (excluding one-time items), amounted to THB 17,268 million, an increase of THB 1,804 million (11.7%), as a result of a 25.5% increase in Revenue Freight Ton-Kilometers (RFTK), or approximately THB 3,800 million due to the increase in the number of aircraft in service. Average freight yield (including fuel and insurance surcharges) was THB 9.17, THB 1.04 lower from the same period last year or approximately THB 1,900 million due to the decline in market prices resulting from increased competition. While, the average freight load factor was 52.0%, increased from the previous year's average of 51.7%.

- **Revenue from other businesses** consists of revenues from business units which include Ground services, Catering, Cargo handling services, and other supporting activities such as aircraft maintenance, etc. amounted to THB 10,877 million, THB 1,632 million (17.7%) higher than last year, Primarily due to the increase in the number of passengers and flights of customer airlines following the recovery of the aviation industry, as well as the growth of other supporting businesses due to the increased of aircraft maintenance services to external clients.

- **Other income** consisting of interest income, penalty fee income and other income, amounted to THB 4,876 million, THB 1,255 million (34.7%) higher than the previous year, due to increased interest income from increased cash and cash equivalents.

Expenses

In 2024, THAI and its subsidiaries had total expenses (excluding one-time items) of THB 146,474 million, an increase of THB 25,618 million (21.2%). Details of the expenses as follows:

- **Fuel and oil expenses** amounted to THB 50,474 million, accounting for 34.5% of total expenses (excluding one-time items), increased by THB 2,709 million (5.7%) from higher fuel consumption, due to the increased number of flights, and the average exchange rate of the Thai Baht to the US Dollar weakened from 34.8 THB per US Dollar in the previous year to 35.3 THB per US Dollar, a decrease of 1.4%. Despite the average oil price reduced by 7.4%.

- **Non-fuel operating expenses** total THB 96,000 million, increased by THB 22,909 million (31.3%),

with details as follows:

Unit: Million Baht	Jan – Dec			
	2024	2023	Variance	
			MTHB	%
Expenses (excluding one-time items)				
Employee benefits expenses	11,964	10,069	+1,895	+18.8
Flight service expenses	18,332	14,034	+4,298	+30.6
Crew expenses	4,983	4,000	+983	+24.6
Aircraft repair and maintenance costs	20,428	11,038	+9,390	+85.1
Depreciation and amortization expenses	13,026	11,389	+1,637	+14.4
Lease of aircraft and spare parts	1,065	2,967	-1,902	-64.1
Inventories and supplies expenses	7,701	5,882	+1,819	+30.9
Selling and advertising expenses	9,239	7,240	+1,999	+27.6
Other expenses	9,262	6,472	+2,790	+43.1
Non-fuel Operating Expenses	96,000	73,091	+22,909	+31.3

Summary of expenses that have changed significantly are as follows:

- Variable cost totaled THB 61,748 million, higher than last year by THB 16,587 million (36.7%)

details as follows:

- Flight service expenses, consisted of ground services, airport fee, navigation fee and other flight services fee (mainly are passenger lounge expenses), amounted to THB 18,332 million, an increase of THB 4,298 million (30.6%) mainly from increased number of flights, higher ground service expenses per flight, including the depreciation of the Thai Baht.

- Crew expenses, mainly consisted of cockpit and cabin crew flight per diem, accommodation and transportation expenses abroad, amounted to THB 4,983 million, an increase of THB 983 million (24.6%), mainly from the increase in the number of flights and destinations as well as the increase in expenses per flight, from flight allowances that vary with flight hours, accommodation expenses, etc..

- Aircraft repair and maintenance costs amounted to THB 20,428 million, an increase of THB 9,390 million (85.1%), mainly due to (1) Increased maintenance expenses for aircraft and engines for the Airbus A320-200, due to the aircraft transferred from Thai Smile, undergoing major repairs as per the usage cycle and the estimated maintenance expenses were higher than previously estimated by Thai Smile. (2) Increase in provisions and monthly payments to service providers, due to the delivery of new aircraft, as well as the increase in flight hours. Additionally, increase in the monthly fees under contract, following the discounts that THAI previously negotiated during restructuring phase. (3) Actual maintenance expenses were higher than the provisions, partly due to repairs initiated in 2023 but invoiced in 2024. (4) In 2024, THAI received fewer credit note for engines repairs compared to the previous year.

- Lease of aircraft and spare parts consisted of Power by the Hour and other types of right-of-use asset lease expenses with a contract term of less than 12 months, totaling THB 1,065 million, a decrease of THB 1,902 million (64.1%), from lease agreements for aircraft calculated based on actual aircraft usage (Power by the

Hour) reached the end of the contract term and reverted to monthly payments under normal operating leases without recording as lease of aircraft and spare parts expenses.

- Inventories and supplies expenses amounted to THB 7,701 million, an increase of THB 1,819 million (30.9%), mainly from the increase in passenger numbers and raw material costs, along with higher aircraft consumable spare parts expenses due to increased maintenance activities.

- Selling and advertising expenses total THB 9,239 million, an increase of THB 1,999 million (27.6%), mainly due to the increase in reservation expenses and fees, in line with the increase in the number of bookings from higher number of passengers. Additionally, the depreciation of the Thai baht and estimation of compensation expenses for sales agents who met the sales targets.

- Fixed cost comprises of employee benefits expenses, depreciation and amortization expenses, and other expenses total THB 34,252 million, THB 6,322 million (22.6%) higher than last year. Details as follows:

- Employee benefits expenses, mainly consisted of employee salaries, outsource, overtime pay, and other benefits. (excluding compensation reserves for employees participating in Mutual Separation Plan program and the termination compensation) amounted to THB 11,964 million, an increase of THB 1,895 million (18.8%), mainly due to the adjustment of the salary payments for pilots and cabin crew, which were reduced during COVID-19, annual salary adjustment for employees, the increase in number of employees and outsource staff to support business growth.

- Depreciation and amortization expenses total THB 13,026 million, an increase of THB 1,637 million (14.4%), mainly due to the delivery of 6 Airbus A350-900, 2 Airbus A330-300 and 1 Boeing 787-9 aircraft.

- Other expenses, mainly consisted of office rental fees, utility expenses, and outjob (covering routine general services), such as waste and industrial waste treatment, wastewater quality inspection, or laundry services, etc. amounted to THB 9,262 million, an increase of THB 2,790 million (43.1%), mainly due to higher service demand and rate adjustments by service providers, including insurance premiums, IT system development costs, and external contracting rates.

- **Finance costs** amounted to THB 18,781 million increased by THB 3,170 million (20.3%) from the previous year, mainly due to the recording of interest on operating leases from the adoption of TFRS 16, in relation to the increase in the delivery of operating lease aircraft, as well as the recognition of finance costs in accordance with TFRS 9 on financial instruments for debts under the rehabilitation plan as ordered by the official receiver.

Outdated passenger ticket revenue adjustment amounted to THB 4,136 million from recognizing outdated passenger ticket revenue, comprising tickets issued from March 2019 to December 2022, where the company extended the validity due to the COVID-19 pandemic situation. The recognition of this revenue adjustment is due to tickets that were not refunded within the expiration date.

Tickets fee expiration adjustment amounted to THB 539 million from the recognition of revenue from expired ticket fee, during March 2019 - June 2023, during which the company extended ticket validity due to the COVID-19 pandemic. The revenue recognition for these fees occurred because passengers did not request refunds within the specified period.

Gain on derivatives amounted to THB 106 million, THAI 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. The Company has managed the risk of exchange rates fluctuations which is uncontrolled factors. Therefore, to decrease the fluctuation of gain or loss from foreign exchange rates in the financial statements, THAI 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, which the exchanges were made from US dollars to Thai Baht. (Also see Note 34.2.1 to the financial statements.)

Share of profit of associates consisted of Don Mueang International Airport Hotel Ltd., Suvarnabhumi Airport Hotel Ltd. and Phuket Air Catering Ltd. amounted to THB 63 million, lower than the previous year by THB 1 million.

Gain from the sale of assets of THB 51 million, consisted of:

- Gains from sale of aircraft and engines of THB 49 million
- Gains from sale of other assets of THB 2 million

Impairment loss in accordance with TFRS No.9 of THB 22 million due to trade receivables' debt repayment.

Mutual Separation Plan ("MSP") program, compensation for employees participating in the MSP B, C and D plan that have been approved to extend the termination period of THB 25 million.

Severance pay in the event of termination of employment of THB 119 million, which is compensation for employees who terminate employment in Thailand and outstations, due to THAI entering the rehabilitation process. It is necessary to improve the organization in all aspects to reduce costs and increase competitiveness.

Loss on foreign currency exchange of THB 906 million, consisting of unrealized foreign currency exchange gain of THB 297 million, from the appreciation of Thai Baht against the US Dollar, Euro and Japanese Yen as of December 31, 2024, when compared to December 31, 2023. As a result, the value of loans, lease liabilities for aircraft, and foreign currency-denominated assets and liabilities decreased after currency conversion. While there were realized foreign currency exchange loss of THB 1,203 million.

Adjustment of inventory for non-fleet aircraft amounted to THB 1,329 million, due to the revision of the policy for provisioning against inventory write-downs of non-fleet aircraft spare parts.

Impairment Loss of Asset amounted to THB 6,483 million, from impairment loss of aircraft and engines. (Also see Note 27 to the financial statements.)

Loss from debt restructuring of THB 45,271 million, one-time accounting loss from debt-to-equity conversion under the business rehabilitation plan. The majority of accounting loss amounted to THB 40,582 million, was from creditors exercising their right to convert their existing debt at the price under business rehabilitation plan, which was lower than the fair value. The remaining loss from debt-to-equity conversions by creditors who received early debt settlements ahead of the schedule specified in the rehabilitation plan. However,

this accounting loss is a one-time occurrence which unrelated to THAI operations and does not affect the completion of the business rehabilitation plan, since after the capital restructuring process, THAI's shareholders' equity remains positive.

EBITDA after deducting cash payment of debt under aircraft lease terms including Power by the hour for 2024 was THB 41,839 million, THB 1,036 million (2.4%) less than the same period last year.

3. Financial Position and Liquidity

Capital Expenditures

Unit: Million Baht	Jan – Dec	
	2024	2023
Aircraft and aircraft spare parts	3,164	5,303
Non-Aircraft	821	164
Total	3,985	5,467

In 2024, capital expenditures were THB 3,985 million, THB 1,482 million lower than the previous year.

Details as follows:

- Investment in aircraft and aircraft spare parts of THB 3,164 million, mostly from the purchase of spare engines, cabin refurbishment and seat retrofit, and rotatable aircraft spare part.
- Investment in other fixed assets of THB 821 million, mostly from maintenance equipment services for Technical department.

Liquidity

As of December 31, 2024, THAI and its subsidiaries had cash and cash equivalents of THB 84,212 million, represented 28.8% of total assets, an increase from December 31, 2023 of THB 31,273 million (59.1%).

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

Unit : Million Baht	Jan – Dec	
	2024	2023
Net cash from operating activities	55,235	43,905
Net cash used in investing activities	(26,213)	(15,759)
Net cash from (used in) financing activities	3,044	(9,454)
Effect of exchange rate changes on cash and cash equivalents	(772)	(282)
Effect of changes in credit loss on cash and cash equivalents	(21)	(11)
Increase in cash and cash equivalents	31,273	18,399

In 2024, THAI and its subsidiaries had net cash provided by operating activities of THB 55,235 million, an increase of THB 11,330 million from the previous year. Net cash used in investing activities was THB 26,213 million, an increase of THB 10,454 million from the previous year, mainly due to pre-delivery payment for aircraft procuring, investment in bill of exchange, fixed deposits, and purchase of engines, spare parts and rotatable aircraft spare parts. However, net cash provided by financing activities amounted to THB 3,044 million, an increase of

THB 12,498 million from the previous year, primarily due to the proceeds from the issuance of newly ordinary shares under the business rehabilitation plan, despite payments for aircraft lease liabilities, debentures interest, and long-term loan interest. As a result, cash and cash equivalents as of December 31, 2024, amounted to THB 84,212 million, an increase of THB 31,273 million from THB 52,939 million as of December 31, 2023. (Also see Note 7 to the financial statements.)

Fleet

As of December 31, 2024, THAI and its subsidiaries had 79 aircraft in operations and 7 unused aircraft.

Assets of THAI and its subsidiaries

As of December 31, 2024, THAI and its subsidiaries had total assets of THB 292,508 million, an increase of THB 53,517 million (22.4%) from December 31, 2023. Details as follows:

	Consolidated					
	Dec 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	84,212	28.8	52,939	22.2	+31,273	+59.1
Non-current assets held for sale	1,734	0.6	2,103	0.9	-369	-17.5
Other current assets	49,063	16.8	39,034	16.3	+10,029	+25.7
Current Assets	135,009	46.2	94,076	39.4	+40,933	+43.5
Property, plant and equipment - net	37,025	12.7	44,579	18.6	-7,554	-16.9
Right-of-use Assets	75,367	25.7	65,048	27.2	+10,319	+15.9
Other non-current assets	45,107	15.4	35,288	14.8	+9,819	+27.8
Total Assets	292,508	100.0	238,991	100.0	+53,517	+22.4

Current assets were THB 135,009 million, represented 46.2% of total assets, increased by THB 40,933 million (43.5%) from as of December 31, 2023. The significant items consisted of

- Cash and cash equivalents amounted to THB 84,212 million, an increase of THB 31,273 million (59.1%) from December 31, 2023, with net cash provided by operating activities and financing activities exceeding net cash used in investing activities. (Also see Note 7.1 to the financial statements.)

- Non-current assets classified as held for sale amounted to THB 1,734 million, a decrease of THB 369 million (17.5%) from December 31, 2023, mainly from the reclassification of 6 Boeing 777-300 aircraft to property, plant and equipment, the selling of assets included a total of 10 aircraft, consisting of 1 Boeing 747-400, 3 Boeing 777-200, 2 Airbus A340-500 and 4 Airbus A340-600 aircraft, residential property in London, United Kingdom, and spare engines. Including the recording of impairment loss of aircraft and engines, consisting of an impairment loss on aircraft included 6 Boeing 777-200, 1 Airbus A340-500, 6 Airbus A380-800, and 4 spare engines. However, 6 Airbus A380-800 aircraft were reclassified from property, plant and equipment to non-current assets classified as held for sale. (Also see Note 11 to the financial statements.)

- Other current assets amounted to THB 49,063 million, an increase of THB 10,029 million (25.7%) from December 31, 2023, mainly from an increase of THB 16,586 million of other current financial assets from more investments in bill of exchange with the right to be redeemed, fixed deposits with a maturity period of more than 3 months and not over 1 year and debentures maturity period within 1 year. (Also see Notes 6.2, 8, 9, 10 to the financial statements.)

Property, plant and equipment amounted to THB 37,025 million, represented 12.7% of total assets, a decrease of THB 7,554 million (16.9%) from December 31, 2023, mainly from the recording of impairment loss of THB 6,165 million, mostly from impairment loss of aircraft amounted to THB 5,883 million, furthermore, from impairment loss of engines and relating of rotatable aircraft's spare parts. In addition, there was a transfer of 6 Airbus A380-800 aircraft and spare engines to non-current assets classified as held for sale, and also depreciation for the period. However, Boeing 777-300 aircraft was reclassified from non-current assets classified as held for sale to property, plant and equipment. Additionally, there were procuring of spare engines and rotatable aircraft's spare parts. (Also see Note 11, 13 to the financial statements.)

Right-of-use assets amounted to THB 75,367 million, represented 25.7% of total assets, consisting of aircraft operating lease obligations, and other fixed asset operating leases, increased by THB 10,319 million (15.9%) from December 31, 2023, mainly from the delivery of 6 Airbus A350-900, 2 Airbus A330-300 and 1 Boeing 787-9 aircraft, despite depreciation for the period. (Also see Note 14 to the financial statements.)

Other non-current assets amounted to THB 45,107 million, represented 15.4% of total assets, increased by THB 9,819 million (27.8%) from December 31, 2023, mainly from an increase in pre-delivery payment for aircraft procuring and also derivatives collateral. (Also see Notes 12, 15, 16, 17, 34.2.1 to the financial statements.)

Liabilities of THAI and its subsidiaries

As of December 31, 2024, total liabilities of THAI and subsidiaries amounted to THB 246,919 million, a decrease from December 31, 2023 of THB 35,214 million (12.5%), details as follows:

	Consolidated					
	Dec 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	67,077	27.1	67,009	23.8	+68	+0.1
Current portion of long-term liabilities	9,510	3.9	7,187	2.5	+2,323	+32.3
Long-term liabilities	119,231	48.3	157,231	55.7	-38,000	-24.2
Other non-current liabilities	51,101	20.7	50,706	18.0	+395	+0.8
Total Liabilities	246,919	100.0	282,133	100.0	-35,214	-12.5

Current liabilities amounted to THB 67,077 million, represented 27.1% of total liabilities, an increase of THB 68 million (0.1%) from December 31, 2023, mainly due to deferred revenue increased by THB 1,178 million from the advance ticket sales corresponding to the increased number of flights, despite a decrease in other current

liabilities and trade and other current payables by THB 824 million and THB 236 million, respectively. (Also see Notes 6.2, 20, 21 to the financial statements.)

Long-term liabilities, including the current portion of long-term liabilities amounted to THB 128,741 million, represented 52.2% of total liabilities, a decrease of THB 35,677 million (21.7%) from December 31, 2023. Mainly from THAI has allocated ordinary shares to creditors as part of the debt-to-equity conversion under the business rehabilitation plan, paid off lease liabilities, repaid debentures interest, interest on long-term borrowings from related parties, and interest on long-term borrowings from financial institutions. (Also see Notes 6.2, 7.3, 18, 19 to the financial statements.)

Other non-current liabilities amounted to THB 51,101 million, represented 20.7% of total liabilities, an increase of THB 395 million (0.8%), mainly due to an increase in estimates of other non-current liabilities of THB 5,240 million (17.9%) from long-term provision for repair and maintenance of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others component of aircraft which has to pay maintenance in the future in accordance with the agreement. THAI has obligation under operating lease of aircraft maintenance, aircraft's engines and other components maintenance over the lease period including preparation of aircraft conditions before handover to lessors at the end of the lease. THAI shall estimate expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which were calculated along with usage time proportion. Non-current provisions for employee benefits increased THB 1,791 million (37.5%) due to the assumption adjustment of salary incremental rate by the actuary. Although, trade and other non-current payables decreased by THB 6,536 million (41.6%), mainly due to the reclassification of items as current liabilities, as they represent obligations under the business rehabilitation plan that are due within one year. THAI has begun making payments under the business rehabilitation plan starting from June 2024 onward. (Also see Notes 6.2, 20, 22, 23, 24, 34.2.1 to the financial statements.)

Shareholders' Equity of THAI and its subsidiaries

As of December 31, 2024, shareholders' equity of THAI and its subsidiaries was THB 45,589 million, while as of December 31, 2023, was THB -43,142 million, an increase of 88,731 million (205.7%) due to the positive operational performance results and capital restructuring pursuant to the Rehabilitation Plan. (Also see Notes 5.2.2, 31 to the financial statements.)

Contingent Liabilities

As of December 31, 2024, THAI had contingent liabilities arising from commitments which have not been recognized in the financial statements from bank guarantee issued by domestic and foreign banks and future obligations under aircraft lease agreements and asset acquisition agreements, which are awaiting delivery. (Also see Note 35 to the financial statements.)

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

In 2024, Thai Airways Public Company Limited (“THAI”) had total revenue (excluding one-time items) of THB 187,326 million, THB 34,871 million (22.9%) higher than last year, mainly from an increase in transportation revenue amounted to THB 33,571 million (24.2%). Passenger revenue increased THB 31,768 million (25.8%), due to increasing production and traffic. THAI resumed services on routes to Perth, Colombo, Milan, Oslo and Brussels and a new route to Kochi. In addition, it increased frequencies to popular destination such as Tokyo (Narita), Nagoya, Beijing, Shanghai, Hong Kong, and Taipei. In addition, THAI services on regional and domestic routes replacing Thai Smile. Freight and mail revenue also rose by THB 1,803 million (11.7%) from a 25.5% increase in Revenue Freight Ton-Kilometers (RFTK), despite a 10.2% decline in freight yield. Furthermore, revenue from other businesses increased by THB 226 million (2.2%), driven by the increase in both the number of flights and passengers on customer airlines. Other income increased by THB 1,074 million (31.0%). Total expenses (excluding one-time items) amounted to THB 146,163 million, THB 33,257 million (29.5%) higher than last year resulting from increasing in production/traffic, number of flights, routes, number of passengers. Moreover, operating costs increased due to several factors, such as aircraft repair and maintenance costs have risen due to higher estimated costs associated with an increased number of operational aircraft. Flight services expenses have also increased due to higher ground service rates. Additionally, sales and advertising expenses have grown in line with an increased in ticket reservations and also increased other expenses. As the results, THAI reported the operating profit before finance costs (excluding one-time items) of THB 41,163 million, THB 1,614 million (4.1%) higher than the same period last year.

THAI recognized finance costs, which was the recognition of financial costs according to Financial Reporting Standards No. 9: TFRS 9 in the amount of THB 18,780 million, THB 3,801 million (25.4%) higher than last year and net one-time items as expenses of THB 48,786 million, mainly from loss on debt restructuring, loss on foreign currency exchange, impairment loss of assets, and adjustment of inventory for non-fleet aircraft. Net of the adjustment for outdated passenger ticket revenue and tickets fee expiration adjustment. As a result, in 2024, THAI had a net loss of THB 26,757 million, while the previous year recorded a net profit of THB 20,345 million, resulting in loss per share of THB 6.21, while the previous year recorded a profit of 9.32 THB per share. EBITDA after deducting cash payment of debt under aircraft lease terms including Power by the hour for 2024 was THB 41,473 million, THB 8,933 million (27.5%) higher than last year.

Financial Performance: THAI

	Jan – Dec			
	2024	2023	Variance	
			MTHB	%
Total operating revenues	187,326	152,455	+34,871	+22.9
- Passenger and excess baggage revenue	154,968	123,200	+31,768	+25.8
- Freight and mail revenue	17,268	15,465	+1,803	+11.7
- Revenue from other businesses	10,552	10,326	+226	+2.2
- Other income	4,538	3,464	+1,074	+31.0
Total operating expenses	146,163	112,906	+33,257	+29.5
- Fuel and oil	50,474	44,263	+6,211	+14.0
- Non-fuel operating expenses	95,689	68,643	+27,046	+39.4
Operating Profit before finance costs exclude				
one-time items	41,163	39,549	+1,614	+4.1
Finance costs	18,780	14,979	+3,801	+25.4
Operating Profit exclude one-time items	22,383	24,570	-2,187	-8.9
Outdated passenger ticket revenue adjustment	4,136	-	+4,136	-
Tickets fee expiration adjustment	539	-	+539	-
Impairment loss in accordance with TFRS 9 (reversal)	517	194	+323	+166.5
Gain on derivatives	106	-	+106	-
Gain on sale of asset	51	469	-418	-89.1
Adjustment of holiday compensation for retired employees	-	(92)	+92	+100.0
Adjustment of per diem compensation for retired employees	-	(250)	+250	+100.0
Rental adjustment: Don Mueang office	-	(400)	+400	+100.0
Restructuring of aviation business operation	-	(9,013)	+9,013	+100.0
Mutual Separation Plan (MSP)	(25)	(281)	+256	+91.1
Severance Pay	(119)	(16)	-103	-643.8
Loss on foreign currency exchange	(908)	(58)	-850	-1,465.5
Adjustment of inventory for non-fleet aircraft	(1,329)	-	-1,329	-
Impairment loss of assets	(6,483)	(77)	-6,406	-8,319.5
Gain (Loss) from debt restructuring	(45,271)	3,956	-49,227	-1,244.4
Profit (Loss) before tax	(26,403)	19,002	-45,405	-238.9
Net Profit (Loss)	(26,757)	20,345	-47,102	-231.5
Net Profit (Loss) per share (THB)	(6.21)	9.32	-15.53	-166.6

		Jan – Dec			
		2024	2023	Variance	
				Amount	%
Significant operating data					
EBITDA – Aircraft Lease Payment	(MTHB)	41,473	32,540	+8,933	+27.5
Number of passengers	(Million)	16.14	9.43	+6.71	+71.2
Available Seat Kilometers	(Million)	65,696	50,354	+15,342	+30.5
Revenue Passenger Kilometers	(Million)	51,741	40,083	+11,658	+29.1
Cabin Factor	(%)	78.8	79.6		-0.8
Passenger		2.98	3.06	-0.08	-2.6
Available Dead Load Ton-Kilometers	(Million)	3,575	2,864	+711	+24.8
Revenue Freight Ton-Kilometers	(Million)	1,859	1,481	+378	+25.5
Freight Load Factor	(%)	52.0	51.7		+0.3
Freight carried	(Ton)	431,320	331,372	+99,948	+30.2
Freight Yield	(THB/RFTK)	9.17	10.21	-1.04	-10.2
Number of aircraft in operations (As of Dec 31)	(Aircraft)	79	66	+13	+19.7
Flight hours	(Hours)	323,289	221,971	+101,318	+45.6
Aircraft utilization	(Hours/Aircraft/Day)	13.2	13.6	-0.4	-2.9
Average foreign currency exchange rate					
1 USD : THB		35.2935	34.8022	+0.4913	+1.4
1 EUR : THB		38.1751	37.6238	+0.5513	+1.5
100 JPY : THB		23.3253	24.8223	-1.4970	-6.0
Currency foreign exchange rate as at Dec 31					
1 USD : THB		34.1461	34.3876	-0.2415	-0.7
1 EUR : THB		35.7819	38.3988	-2.6169	-6.8
100 JPY : THB		21.8877	24.5752	-2.6875	-10.9
Average jet fuel		104.64	113.01	-8.37	-7.4

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

Assets of THAI

As of December 31, 2024, THAI has total assets of THB 292,150 million, an increase of THB 54,722 million (23.0%) from December 31, 2023. Details as follows:

	Separate Financial Statement					
	Dec 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Assets	MTHB	% of Total Assets	MTHB	%
Current assets						
Cash and cash equivalents	84,012	28.7	52,359	22.0	+31,653	+60.5
Non-current assets held for sale	1,734	0.6	2,103	0.9	-369	-17.5
Other current assets	49,268	16.9	38,377	16.2	+10,891	+28.4
Current Assets	135,014	46.2	92,839	39.1	+42,175	+45.4
Property, plant and equipment-net	36,979	12.7	44,556	18.8	-7,577	-17.0
Right-of-use Assets	75,345	25.8	65,042	27.4	+10,303	+15.8
Other non-current assets	44,812	15.3	34,991	14.7	+9,821	+28.1
Total Assets	292,150	100.0	237,428	100.0	+54,722	+23.0

Current assets amounted to THB 135,014 million, representing 46.2% of total assets, an increase of THB 42,175 million (45.4%) from December 31, 2023, mainly due to an increase in cash and cash equivalents of THB 31,653 million, and other current financial assets increased THB 16,566 million from more investments in bill of exchange with the right to be redeemed, fixed deposits with a maturity period of more than 3 months and not over 1 year and debentures maturity period within 1 year. (Also see Note 6.2, 7.1, 8, 9, 10, 11 to the financial statements.)

Property, plant and equipment amounted to THB 36,979 million, represented 12.7% of total assets, a decrease of THB 7,577 million (17.0%), mainly from the recording of impairment loss of THB 6,165 million, mostly from impairment loss of aircraft amounted to THB 5,883 million, furthermore, from impairment loss of engines and relating of rotatable aircraft's spare parts. In addition, there was a transfer of 6 Airbus A380-800 aircraft and spare engines to non-current assets classified as held for sale, and also depreciation for the period. However, Boeing 777-300 aircraft was reclassified from non-current assets classified as held for sale to property, plant and equipment. Additionally, there were procuring of spare engines and rotatable aircraft's spare parts. (Also see Note 11, 13 to the financial statements.)

Right-of-use assets amounted to THB 75,345 million, represented 25.8% of total assets, consisting of aircraft operating lease obligations, and other fixed asset operating leases, increased by THB 10,303 million (15.8%) from December 31, 2023, mainly from the delivery of 6 Airbus A350-900, 2 Airbus A330-300 and 1 Boeing 787-9 aircraft, despite depreciation for the period. (Also see Note 14 to the financial statements.)

Other non-current assets amounted to THB 44,812 million, represented 15.3% of total assets, increased by THB 9,821 million (28.1%) from December 31, 2023, mainly from an increase in pre-delivery payment for aircraft procuring and also derivatives collateral. (Also see Notes 12, 15, 16, 17, 34.2.1 to the financial statements.)

Liabilities of THAI

As of December 31, 2024, THAI had total liabilities of THB 246,655 million, a decrease of THB 34,125 million (12.2%) from December 31, 2023. Details as follows:

	Separate Financial Statement					
	Dec 31, 2024		Dec 31, 2023		Variance	
	MTHB	% of Total Liabilities	MTHB	% of Total Liabilities	MTHB	%
Current liabilities	66,883	27.1	65,709	23.4	+1,174	+1.8
Current portion of long-term liabilities	9,501	3.9	7,180	2.6	+2,321	+32.3
Long-term liabilities	119,217	48.3	157,231	56.0	-38,014	-24.2
Other non-current liabilities	51,054	20.7	50,660	18.0	+394	+0.8
Total Liabilities	246,655	100.0	280,780	100.0	-34,125	-12.2

Current liabilities amounted to THB 66,883 million, represented 27.1% of total liabilities, an increase of THB 1,174 million (1.8%) from December 31, 2023, mainly due to deferred revenue increased by THB 1,257 million from the advance ticket sales corresponding to the increased number of flights, despite a decrease in other current liabilities by THB 817 million. (Also see Notes 6.2, 20, 21 to the financial statements.)

Long-term liabilities, including the current portion of long-term liabilities amounted to THB 128,718 million, represented 52.2% of total liabilities, a decrease of THB 35,693 million (21.7%) from December 31, 2023. Mainly from THAI has allocated ordinary shares to creditors as part of the debt-to-equity conversion under the business rehabilitation plan, paid off lease liabilities, repaid debentures interest, interest on long-term borrowings from related parties, and interest on long-term borrowings from financial institutions. (Also see Notes 6.2, 7.3, 18, 19 to the financial statements.)

Other non-current liabilities amounted to THB 51,054 million, represented 20.7% of total liabilities, an increase of THB 394 million (0.8%), mainly due to an increase in estimates of other non-current liabilities of THB 5,240 million (17.9%) from long-term provision for repair and maintenance of aircraft, maintenance reserve for aircraft overhaul, aircraft's engines and others component of aircraft which has to pay maintenance in the future in accordance with the agreement. THAI has obligation under operating lease of aircraft maintenance, aircraft's engines and other components maintenance over the lease period including preparation of aircraft conditions before handover to lessors at the end of the lease. THAI shall estimate expected maintenance expenses upon flight hour, flight cycle, overhaul period, and lease period which were calculated along with usage time proportion. Non-current provisions for employee benefits increased THB 1,788 million (37.7%) due to the assumption adjustment of salary incremental rate by the actuary. Although, trade and other non-current payables decreased by THB 6,536 million (41.6%), mainly due to the reclassification of items as current liabilities, as they represent obligations under the business rehabilitation plan that are due within one year. THAI has begun making payments under the business rehabilitation plan starting from June 2024 onward. (Also see Notes 6.2, 20, 22, 23, 24, 34.2.1 to the financial statements.)

Shareholders' Equity of THAI and its subsidiaries

As of December 31, 2024, shareholders' equity of THAI and its subsidiaries was THB 45,495 million, while as of December 31, 2023, was THB -43,352 million, an increase of 88,847 million (204.9%) due to the positive operational performance results and capital restructuring pursuant to the Rehabilitation Plan. (Also see Notes 5.2.2, 31 to the financial statements.)

4. Outlook

The economic growth outlook for 2025, based on the World Economic Outlook (WEO) report, issued in January 2025 by the International Monetary Fund (IMF), projects global economic expansion at 3.3%, which is close to the forecast made in October 2024. This growth is supported by recoveries in certain regions, such as the United States, driven by strong consumption and a stable labor market. Additionally, The People's Republic of China, fiscal stimulus measures announced in November 2024 have helped mitigate negative impacts on investment caused by trade policy uncertainties and challenges in the real estate market. However, in some regions, economic growth forecasts have been revised downward, for instance, Europe is expected to experience slower growth due to geopolitical tensions and a slowdown in the manufacturing sector.

However, The International Air Transport Association (IATA) expects passenger traffic in 2025 in all regions to continue to grow and exceed pre-COVID-19 levels. Airlines are expected to achieve higher net profit margins due to lower fuel prices, which will reduce operational costs. Additionally, high passenger cabin factors, driven by supply chain constraints, will further support profitability. The global aviation industry is expected to grow at an average annual rate of 3.8%. The top regions with the highest annual growth rates are Asia Pacific, Middle East and Africa at 5.1, 4.1, and 3.7 %, respectively. Freight traffic is expected to expand by 5.8%. Freight revenue is expected to remain stable in 2025 and 30 % higher than the pre-COVID-19 level.

Thailand economy in 2025, forecasted by the Office of the National Economic and Social Development Council, is projected to expand in the range of 2.3 – 3.3%, with an improving trend compared to 2024. Key supporting factors include the increase in government expenditure, particularly investment spending, the continued expansion of private consumption, the sustained recovery of the tourism sector and related services and also the continual growth of merchandise exports. However, there remain risks and key constraints that could result in economic growth falling below expectations. These include risks associated with U.S. economic policies and the high uncertainty surrounding geopolitical conflicts. The Tourism Authority of Thailand (TAT) sets 2025 target number of international tourist arrivals in Thailand at 39.0 million visitors, with the "Amazing Thailand Grand Tourism & Sports Year 2025" initiative, aimed at positioning Thailand as a global hub for tourism and sports. The campaign includes various promotional activities, including: Grand Festivity: organizing major events throughout the year; Grand Moment: introducing new travel routes for unique experiences; Grand Privilege: integrating shopping with tour packages, airline tickets, and seamless payment options; Grand Invitation: inviting global influencers and celebrities to visit Thailand throughout the year; Grand Celebration: Organizing special celebrations for major festivals. The launch of these initiatives will enhance Thailand's tourism industry, attracting

more international visitors and solidifying the country's position as a Tourism Hub. This vision aligns with Thailand's ambition to become an Aviation Hub, which is one of the eight key strategic visions under Thailand Vision: IGNITE THAILAND.

THAI aims to expand its fleet and increase capacity to meet the ever-growing demand for travel. In 2025, THAI is expected to receive the delivery of 2 Boeing 787-9, 1 Airbus A330-300, and 1 Airbus A321neo aircraft. Additionally, THAI will continue the retrofit of the Airbus A320-200 cabin seats from 2024, specifically upgrading to Royal Silk Class (Business Class) to provide passengers with enhanced comfort. The new seats will offer reclining functionality with adjustable headrests and footrests. Moreover, the airline is pioneering wireless in-flight entertainment (IFE) across all seats on domestic routes, making it the first airline in Thailand to introduce this system. For the next phase of the retrofit plan, THAI intends to upgrade the cabin interiors of Boeing 777-300ER aircraft. The new configuration will feature three classes: Business Class, Premium Economy Class, and Economy Class, along with Wi-Fi installation. This upgrade follows a Customer-Centric approach to enhance the passenger travel experience.

As part of long-term fleet expansion strategy, THAI has signed a lease agreement for 8 Airbus A321neo aircraft, scheduled for delivery in 2026 and 2027. The addition of these narrow-body aircraft aligns with THAI's long-term strategy to enhance operational efficiency and replace aging aircraft that are being phased out as their leases expire. In Quarter 1 of 2024, THAI placed an order for 45 Boeing 787-9 aircraft and signed a lease agreement which includes 10 additional Airbus A321neo aircraft. This strategic fleet expansion aims to improve operational efficiency, enhance passenger experience, and minimize environmental impact. The modern, fuel-efficient aircraft reflect the airline's commitment to sustainable growth, focusing on advanced technology, fuel savings, and eco-friendly operations while meeting the strong recovery in global air travel demand.

Furthermore, THAI has signed a Memorandum of Understanding (MOU) with AOT Ground Aviation Services Company Limited (AOTGA) for the "Aircraft Maintenance Development Project." This partnership aims to enhance the capabilities of the aircraft maintenance industry, supporting the growth of the aviation sector and positioning Thailand as a regional hub for air transportation and tourism. Furthermore, THAI's technicians are certified to international standards, including those set by the European Union Aviation Safety Agency (EASA) and the US Federal Aviation Administration (FAA). THAI's also recognized by the Civil Aviation Authority of Thailand (CAAT) as an Aircraft Type Training Ground Engineer Training Institute. With these certifications, THAI is well-positioned to develop its aircraft maintenance center business, boosting competitiveness, generating income, and supporting Thailand's aspirations to become a leading aviation hub in the region.

THAI aims to resume trading on the Stock Exchange of Thailand (SET) in the second quarter of 2025 by holding a shareholders' meeting to appoint a new board of directors in accordance with the terms of the business rehabilitation plan, as well as a petition to the Central Bankruptcy Court for the completion of the business rehabilitation plan. Reinforcing the concept of "Fly for The New Pride" initiative, symbolizing a renewed commitment to sustainable growth that benefits the organization, employees, and stakeholders. THAI also aims to build investor confidence and enhancing service quality to provide the best travel experience for customers.

5. Financial Ratios

	Jan - Dec				
	Consolidated		The Company		
	2024	2023	2024	2023	
Liquidity Ratio					
Current Ratio	(times)	3.52	2.51	3.54	2.56
Profitability Ratio					
Operating Profit (Loss) Margin	%	12.09	15.27	11.95	16.12
Net Profit (Loss) Margin	%	(14.31)	17.46	(14.28)	13.34
Return on Equity	%	n/a	n/a	n/a	n/a
Efficiency Ratio					
Return on Total Assets	%	n/a	12.87	n/a	9.34
Financial Policy Ratio					
Interest Bearing Debt to Equity	(times)	2.82	n/a	2.83	n/a
Total Debt to Equity	(times)	5.42	n/a	5.42	n/a
Interest Coverage Ratio	(times)	3.15	3.27	3.13	2.72
Net Debt to EBITDA	(times)	2.75	4.49	2.77	5.61
Debt Service Coverage Ratio	(times)	1.51	1.93	1.50	1.60

GLOSSARY

Current Ratio	= Current Assets (Exclude Non-Current Assets held for sale / Current Liabilities (Exclude Unearned Transportation Revenues))
Operating Profit (Loss) Margin	= Operating Profit (Loss) / Total Revenue (Exclude one-time items)
Net Profit (Loss) Margin	= Net Profit (Loss) / Total Revenue (Exclude one-time items)
Return on Equity	= Net Profit (Loss) / Average Shareholders' Equity
Return on Total Assets	= Net Profit (Loss) / Average total assets
Interest Bearing Debt to Equity	= (Short-term Loan + Long-term Loan including current portion of Long-term Loan within 1 year) / Shareholders' Equity
Total Debt to Equity	= Total liabilities / Shareholders' Equity
Interest Coverage Ratio	= EBITDA / Interest
Net Debt to EBITDA	= (Total liabilities - Cash and cash equivalents) / EBITDA
Debt Service Coverage Ratio	= EBITDAR / (Long-term Loan repayment and Lease liabilities + Interest payment + Lease of aircraft and spare part)

6. Related Party Transactions

6.1 Significant related party transactions carried between the company (exclude subsidiary company) and major shareholders and entities that may have conflicts of interest for the period ended December 31, 2024 are detailed as follow:

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Ministry of Finance (MOF)	MOF is the major shareholder of THAI with 38.90% shares.	1. International loans take through the MOF consist of:				- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. - Also see Notes No.1 and 2
		- Outstanding loans under the rehabilitation plan	0.00	12,583.54	11,721.78	
		- Interest Expenses	845.73	861.76	135.90	
		- Deferred interests	0.00	997.66	135.90	
		2. THAI leased the lands from the Treasury Department.	1.98	7.80	8.63	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		3. THAI sold tickets to MOF.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total revenue	0.00	1.43	0.00	
		- Account receivable	0.00	0.00	0.00	

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Government Savings Bank (GSB)	GSB is controlled by the MOF, a major shareholder of THAI.	1. THAI entered into a committed revolving credit line with GSB credit limit up to THB 3.5 billion, the credit line was used.				- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.
		<ul style="list-style-type: none"> - Outstanding loans - Interest expenses - Accrued interests 	0.00	3,500.00	3,500.00	Note: - The interest rate for the year 2022-Aug 31, 2024 were the effective interest rate according to the original contract. - The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Notes No.1 and 3
		<ul style="list-style-type: none"> - Outstanding loans under the rehabilitation plan - Interest Expenses - Deferred interests 	1,597.40	0.00	0.00	
		2. THAI sold tickets, rented out space, and other services to GSB.				- The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.
		<ul style="list-style-type: none"> - Total revenue 	0.45	0.36	0.63	
Export-Import Bank of Thailand (EXIM)	EXIM is controlled by the MOF, a major shareholder of THAI.	1. THAI entered into a long-term loan agreement with EXIM:				- The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.
		<ul style="list-style-type: none"> - Outstanding loans - Outstanding loans under the rehabilitation plan - Interest Expenses 	0.00	0.00	605.90	- Also see Notes No.1 and 3
			0.00	17.11	37.45	

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
		<p>2. THAI entered into a committed revolving credit line with EXIM credit limit up to THB 1.5 billion, the credit line was used.</p> <p>- Outstanding loans under the rehabilitation plan - Interest Expenses - Deferred interests</p>	<p>1,105.52 22.49 79.20</p>	<p>1,508.18 22.63 56.71</p>	<p>1,485.55 22.14 34.07</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Note No.1</p>
Islamic Bank of Thailand (IBANK)	IBANK is controlled by the MOF, a major shareholder of THAI.	<p>1. THAI entered into a long-term loan agreement with IBANK:</p> <p>- Outstanding loans under the rehabilitation plan - Interest Expenses - Deferred interests</p>	<p>938.46 149.97 480.28</p>	<p>1,579.31 139.89 303.31</p>	<p>1,439.42 109.35 163.42</p>	<p>- The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Notes No.3</p>
Krung Thai Bank Public Company Limited (KTB)	MOF controlled via the Bank of Thailand and Financial Institutions Development Fund, which is the major shareholder of KTB.	<p>1. THAI entered into a committed revolving credit line with KTB credit limit up to THB 3.0 billion, the credit line was used.</p> <p>- Outstanding loans - Interest expenses - Accrued interests</p>	<p>0.00 51.24 333.59</p>	<p>2,260.73 76.86 282.34</p>	<p>2,260.73 76.86 205.49</p>	<p>- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>Note: - The interest rate for the year 2022-Aug 31, 2024 were the effective interest rate according to the original contract.</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
		<ul style="list-style-type: none"> - 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 - Outstanding loans under the rehabilitation plan - Interest expenses - Deferred interests 	 0.00 26.60 170.31 2,920.56 35.15 35.15	 3,500.00 39.90 143.71 0.00 0.00 0.00	 3,500.00 39.90 103.81 0.00 0.00 0.00	<ul style="list-style-type: none"> - The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. - The pricing, terms and interest rates are on an arms' length basis and on commercial term as unrelated parties. - Also see Notes No.1 and 2

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
		2. THAI sold debentures to KTB. - Debenture value - Interest in accordance with the business rehabilitation plan - Deferred interests	437.94 11.99 43.75	832.00 12.48 31.76	832.00 12.48 19.28	- The pricing, terms, interest rates and commitment fees are on an arms' length basis and on commercial term as unrelated parties. - Also see Note No.1
		3. THAI provided office space rental, ATM space, utilities, and leased line to KTB. - Total revenue - Account receivable	2.45 0.00	2.58 0.21	2.76 0.16	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		4. THAI paid service fees to KTB for cash delivery and debentures distribution fee. - Total expenses - Account payable	0.47 0.00	0.00 0.13	0.00 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.	1. THAI bought postal services, both domestic and international, and postal tools from Thailand Post. - Total expenses 2. THAI sold tickets to Thailand Post. - Total revenue	0.68 0.88	0.38 0.00	0.27 0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Tourism Authority of Thailand (TAT)	TAT is controlled by the MOF, a major shareholder of THAI.	1. THAI paid for advertising and sales promotion to TAT. - Total expenses - Account payable	0.76 0.49	1.32 0.52	0.00 0.52	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		2. THAI sold tickets and provided office space rental to TAT. - Total revenue - Account receivable	5.14 2.33	4.57 0.87	16.17 5.23	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
MCOT Public Company Limited (MCOT)	MCOT and THAI have a common major shareholder, namely MOF.	1. THAI paid for advertising to MCOT. - Total expenses - Account payable - Account payable under the rehabilitation plan - Interest expenses - Deferred interests	0.00 0.00 0.67 0.06 0.22	0.00 0.00 0.86 0.06 0.16	0.00 0.87 0.80 0.06 0.10	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
PTT Public Company Limited (PTT)	PTT and THAI have a common major shareholder, namely MOF.	1. THAI bought fuel and lubricant for its vehicles from PTT.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.3
		<ul style="list-style-type: none"> - Total expenses 0.47 - Account payable 0.13 - Account payable under the rehabilitation plan 0.98 - Interest expenses 0.09 - Deferred interests 0.31 	<ul style="list-style-type: none"> 0.01 0.13 1.26 0.09 0.22 	<ul style="list-style-type: none"> 0.01 0.17 1.17 0.09 0.13 		
		2. THAI sold tickets to PTT.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		<ul style="list-style-type: none"> - Total revenue 27.51 	<ul style="list-style-type: none"> 28.07 	<ul style="list-style-type: none"> 16.33 		
PTT Oil and Retail Business Public Company Limited (PTTOR)	PTT is the major shareholder of PTTOR with 75% shares.	1. THAI purchased JET A-1 aviation fuel and fuel for vehicles from PTTOR.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.3
		<ul style="list-style-type: none"> - Total expenses 12,856.15 - Account payable 825.09 - Account payable under the rehabilitation plan 502.42 - Interest expenses 55.40 - Deferred interests 649.54 	<ul style="list-style-type: none"> 7,183.63 665.95 603.27 144.00 594.14 	<ul style="list-style-type: none"> 6,281.62 376.24 788.03 201.98 450.14 		
		2. THAI sold tickets to PTTOR.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		<ul style="list-style-type: none"> - Total revenue 10.27 - Account receivable 1.10 	<ul style="list-style-type: none"> 11.84 0.00 	<ul style="list-style-type: none"> 8.83 0.00 		

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Airports of Thailand Public Company Limited (AOT)	AOT and THAI have a common major shareholder, namely MOF.	<p>1. AOT provided space rental at several airports for THAI's offices, aircraft/ vehicle parking, cargo loading/ unloading, stores for ground service equipment, containers, and other services.</p> <p>- Total expenses - Account payable</p> <p>2. THAI sold tickets to AOT and received 2% of passenger service charge collected for AOT.</p> <p>- Total revenue - Account receivable</p>	<p>8,975.21 889.99</p> <p>63.17 19.09</p>	<p>6,676.54 889.86</p> <p>49.20 78.08</p>	<p>3,865.62 890.11</p> <p>18.52 33.70</p>	<p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p> <p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>
National Telecom Public Company Limited (NT)	NT and THAI have a common major shareholder, namely MOF.	<p>1. THAI sold debentures to NT.</p> <p>- Debenture value - Interest in accordance with the business rehabilitation plan - Deferred interests</p> <p>2. THAI rents communication channels from NT.</p> <p>- Total expenses - Account payable - Account payable under the rehabilitation plan - Interest expenses - Deferred interests</p>	<p>1,017.74 19.81 70.62</p> <p>0.00 0.00 9.26 0.59 2.44</p>	<p>1,348.00 20.22 50.81</p> <p>0.00 0.00 10.33 0.77 1.85</p>	<p>1,348.00 20.22 30.59</p> <p>0.00 9.55 0.00 0.00 0.00</p>	<p>- The pricing, terms, interest rates and Commitment fees are on an arms' length basis and on commercial term as unrelated parties.</p> <p>- Also see Note No.3</p> <p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Civil Aviation Training Center (CATC)	CATC is controlled by the MOF, a major shareholder of THAI.	1. CATC provided aviation training for THAI's pilots. - Account payable - Account payable under the rehabilitation plan - Interest expenses - Deferred interests	 0.00 4.96 0.61 2.18	 0.00 9.35 0.65 1.57	 0.00 8.70 0.61 0.92	- 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; - Mr. Tras Prommobol is a Director of Thai-Amadeus Southeast Asia.	1. THAI sold tickets and provided office space and computer rental to Thai-Amadeus Southeast Asia Co., Ltd. - Total revenue - Account receivable	 3.94 0.32	 3.53 0.30	 6.20 1.04	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Wingspan Services Company Limited (WSC) (Subsidiary Company)	THAI is the major shareholder of WSC, with 49% shares and controlling authority.	1. THAI provided office space and equipment rental to WSC. - Total revenue - Account receivable	8.59 283.85	3.42 2.24	3.56 1.37	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
	THAI's executive officers: - Mrs. Chuntarica Jotikasthira is a Director of WSC.	2. WSC outsourced its staff to THAI. - Total expenses - Account payable	1,324.70 199.81	1,062.82 306.78	376.97 166.36	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Thai Flight Training Company Limited (TFTA) (Subsidiary Company)	THAI is the major shareholder of TFTA, with 49% shares and controlling authority	1. THAI provided aviation training equipment, office space and equipment rental to TFTA. - Total revenue - Account receivable	56.94 8.67	34.75 0.77	22.14 4.23	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
	THAI's executive officers: - Mr. Chawan Ratanawaraha is a Director of TFTA; - Mrs. Onanong Junhaman is a Director of TFTA.	2 TFTA provided flight attendant training to THAI - Total expenses - Account payable	12.98 0.34	0.00 0.00	0.00 0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Tour Eurng Luang Company Limited (Subsidiary Company)	THAI holds 49 % shares in Tour Eurng Luang Co., Ltd via WSC and with controlling authority.	<p>1. THAI sold Eurng Luang tours to Tour Eurng Luang.</p> <p>- Total revenue - Account receivable</p> <p>2. THAI paid commission fees from the sale of Eurng Luang services to Tour Eurng Luang.</p> <p>- Total expenses - Account payable</p>	<p>17.17 2.22</p> <p>32.15 0.00</p>	<p>2.16 0.18</p> <p>2.16 0.18</p>	<p>12.31 0.00</p> <p>2.05 0.00</p>	<p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p> <p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>
Thai Smile Airways Company Limited (Subsidiary Company)	<p>THAI wholly owns Thai Smile Airways.</p> <p>THAI's executive officers: - Mr. Chai Eamsiri is a Director of Thai Smile Airways; - Mr. Korakot Chatasingha is a Director of Thai Smile Airways; - Mrs. Chuntarica Jotikasthira is a Director of Thai Smile Airways; - Mrs. Cherdchome Therdsteerasukdi is a</p>	<p>1. THAI provided aircraft rental, ground services, parking space, aircraft insurance premium, boarding passes, pilot training and catering to Thai Smile Airways.</p> <p>- Total revenue - Account receivable</p> <p>2. THAI bought Block Space and other services from Thai Smile Airways.</p> <p>- Total expenses - Account payable</p>	<p>150.17 9,729.82</p> <p>276.13 0.00</p>	<p>3,911.55 10,353.67</p> <p>3,943.73 130.91</p>	<p>3,346.78 10,885.92</p> <p>2,995.72 490.16</p>	<p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p> <p>- The pricing is on an arms' length basis and on commercial terms as unrelated parties.</p>

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
	Director of Thai Smile Airways.					
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 Therdsteeerasukdi is a Director of Don Mueang International Airport Hotel.	1. THAI bought hotel rooms for its passengers from Donmueang International Airport Hotel. - Total expenses	0.00	0.00	0.00	- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
Phuket Air Catering Company Limited (PACCO) (Associated Company)	THAI holds 30% shares in PACCO. THAI's executive officers: - Mrs. Varangkana Luerojvong is a Director of PACCO; - Mr. Rut Rugsumruad is a Director of PACCO.	1. THAI bought catering services from PACCO. - Total expenses - Account payable - Account payable under the rehabilitation plan - Interest expenses - Deferred interests	261.88 25.47 13.42 1.29 4.38	148.48 0.00 17.23 1.29 3.09	38.93 0.00 15.95 1.19 1.80	- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.1

Name of Entities with Potential Conflicts of Interest	Relationship	Type of Transaction	Value (Million THB)			Terms / Pricing Policy
			For the year ended December 31, 2024	For the year ended December 31, 2023	For the year ended December 31, 2022	
Suvarnabhumi Airport Hotel Company Limited (Associated Company)	THAI holds 30% shares in Suvarnabhumi Airport Hotel. THAI's executive officer: - Mr. Cherdphan Chotikhun is a Director of Suvarnabhumi Airport Hotel.	1. THAI bought hotel rooms for its passengers from Suvarnabhumi Airport Hotel.				- The pricing is on an arms' length basis and on commercial terms as unrelated parties. - Also see Note No.1
		- Total expenses	1.79	0.32	0.00	
		- Account payable	0.57	0.00	2.16	
		- Account payable under the rehabilitation plan	1.42	1.82	0.00	
		- Interest expenses	0.13	0.13	0.13	
		- Deferred interests	0.45	0.32	0.19	
Aeronautical Radio of Thailand Limited (AEROTHAI) (Joint-Venture Company)	AEROTHAI and THAI have a common major shareholder, namely MOF. THAI holds 1.20% shares in AEROTHAI. THAI's executive officers: - Mr. Chawan Ratanawaraha is a Director of AEROTHAI.	1. THAI bought navigation services and rented communication equipment from AEROTHAI				- The pricing is on an arms' length basis and on commercial terms as unrelated parties.
		- Total expenses	1,262.58	713.56	438.31	
		- Account payable under the rehabilitation plan	46.68	94.90	88.28	
		- Interest expenses	6.18	6.61	6.15	
		- Deferred interests	22.11	15.93	9.32	
		2. THAI sold tickets, rented out space, and other services to AEROTHAI.				
		- Total revenue	1.76	0.00	0.00	
		- Account receivable	0.37	0.00	0.00	

Notes:

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

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

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

3. On October 20, 2022, the Central Bankruptcy Court ordered to approve the plan amendment of THAI’s rehabilitation plan for Group 6 Creditors, unsecured financial institution creditors, by changing their payment methods to convert debt to equity accordance with the amendment of business rehabilitation plan. For this reason, as of December 31, 2024, THAI adjusted the debt according to the order from the official receiver. Financial liabilities are re-measured to fair value using a discounted cash flow method using the market interest rate.

6.2 Necessity and reasonableness of related party transactions

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

6.3 Connected Transaction Approval Procedures

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

6.4 Future related party transaction policy

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