



Update on the debt collection from debentures of Thai Airways International PLC

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UOB Asset Management (Thailand) Company Limited ("the Management Company"), as the Fund Manager which is the debenture creditor of Thai Airways International PLC ("the Company"), has been monitoring on proceedings of the Company in accordance with the Rehabilitation Plan as well as the overall performance of the Company and its subsidiaries for the year ended 31 December 2023, therefore, the Management Company would like to summarize the report on the Company's performance as follows:

- The performance in the Q4 2023, the Company had a net profit of Baht 11,782 million, an increase of 666% QoQ from higher income towards the end of the year. As of the end of Q4, there were 3.63 million passengers, an increase of 11% QoQ.
- Overview of 2023, in 2023 the Company had a net profit of Baht 28,096 million compared to net loss of Baht 272 million in 2022 from the increase in service income of 51% YoY from Baht 104,494 million to Baht 157,446 million. This is because of the continued increase in the number of passengers and cargo after the Company gradually opened international routes to support the increasing number of flights. After many countries relaxed their travel restrictions, the Company's opened routes that cover destinations in Europe, Australia and Asia. In 2023, the Company continued to increase the number of flights to popular destinations especially Beijing, Shanghai, Kunming, Guangdong, Chengdu, Haneda, Fukuoka, Sapporo and Taipei resulting in a 52.7% increase in the number of passengers YoY from 9.01 million to 13.76 passengers and the Cabin Factor increased to 80% in 2023 (compared to 68% in 2022).
- Moreover, the Company had other profits from Non-recurring Items other than its normal operations such as profit from debt restructuring, profit from sale of assets. Therefore, when considering only the core earnings, the Company was able to generate core earnings of Baht 25,390 million, compared to a loss of Baht 3,059 million in 2022. In addition, the Company had higher cash on hand of Baht 52,939 million as of the end of 2023, compared to Baht 34,540 million as of the end of 2022 thus the Company did not require new loans of Baht 25,000 million that was approved in the Rehabilitation Plan.
- At present, the Company received 15, A320-200 aircrafts from Thai Smile Airways and assumed the domestic and regional flights of Thai Smile Airways. As of 31 December 2023, the Company had a total of 70 aircrafts.
- The Company strictly operated in accordance with the Rehabilitation Plan and continued to reduce unnecessary expenses as well as reducing the size of its workforce. As a result, its expenses significantly reduced, its EBITDA turned positive since Q2 2022. While the EBITDA in 2023 was Baht 42,875 million reflecting its positive cash flow and liquidity position. This EBITDA was higher (in the last 12 months) than the minimum amount of Baht 20,000 million required by the Rehabilitation Plan (which the equity also had to be positive). Furthermore, the Company proceeded in accordance with the Rehabilitation Plan by repaying its debenture holders by making interest payments to the debenture holder on a monthly basis at the interest rate of 1.50% per annum of the principal which it paid for the first time on 31 January 2023 according to the Rehabilitation Plan.
- However, in 2023, the Company still had to operate in accordance with the Rehabilitation Plan which can be seen from the major proceedings such as the expansion of routes or opening of new routes, improvement of its fleet, seeking to generate income from secondary assets that are not used for its operations (such as selling of various assets) including the adjustment of the flight business structure. These proceedings are done to support the recovery of the airline business in order to enhance its flight management efficiency as well as making plans and developing its flight network, better manage its flights to answer the needs of the overall passengers and improve its profitability.

The above overview of the Company's performance demonstrates the possibility that the Company will be able to make debt payments in accordance with the Rehabilitation Plan. The Management Company will continue to closely monitor the collection of the repayment of debentures of Thai Airways International PLC and if there is any update related to such matter, it will regularly report to the Unitholders.