COMPANY RESULTS

ASIA AVIATION (AAV TB)

THAILAND / SET / AVIATION

Globlex Securities Co., Ltd.

14 August 2026

Hurt by fuel cost hike and demand dive

- 2Q26 net loss was dragged by high fuel cost and weak demands
- 2H26 outlook remains weak on the fuel cost hike and demand dive
- Maintain HOLD and a TP of THB1.26

2Q26 in red on hiking fuel cost

AAV's 2Q26 net profit turn to a net loss (NL) of THB2.3b, down from a net profit (NP) of THB814m in 1Q26 and a NP of THB214m in 2Q25, due to seasonally slowdown in passenger numbers, lower fare and the sharp rise (+50% y-y) in fuel cost as a result of the Middle East war. Excluding THB0.3b FX loss and other non-operating items, core NL plunged to THB1.5b, down from a NP of THB691m in 2Q25. Financing cost dipped to THB644m vs THB681m in 1Q26 while depreciation expense rose to THB1.3b, up 0.8% q-q and 7.1% y-y.

EBITDA turned into red

EBITDA plunged to -THB271m in 2Q26, down from THB3.5b in 1Q26 and THB418m in 2Q25 as AAV suffered from the spike in fuel cost, weakness in load factor to 78% (-10% pts q-q, -4% pts y-y) and lower passenger carried to 4.03m (-35% q-q, -16% y-y). With the same number of fleets in operation at 62, AAV still saw its aircraft utilization rate drop to 11.0 hours/day vs 11.6 hrs/day in 2Q25. Average fares though rose sharply to THB2,127 (+16% q-q, +27% y-y), led by the rising prices on international fare to THB3,279 (+20% q-q, +28% y-y) and domestic to THB1,636 (+14% q-q, +28% y-y) on hiking fuel cost even under the higher competition and weaker demand.

Margin squeeze on hiking fuel cost and weak demands

RASK increased to THB2.05, up 26% y-y, lower than the hike in CASK to THB2.44 (+33% y-y) as CASK fuel rose sharply to THB1.01 (+77% y-y), resulting in RASK-CASK margin to turn into -THB0.43. We think both RASK and CASK will improve marginally in 2H26 but still in doubt on the RASK-CASK margin, given the still-high fuel cost and weak demand outlook amid high competition.

Risk remains high on fuel cost hike and demand dive

We remained neutral on AAV's NP outlook in 2H26E-2027E, even we are more positive on the number of tourist arrivals in Thailand, as fuel cost remains high on the ongoing impact of the war in Middle East. We think fierce industry competition will continue to pressure AAV's average fares, load factors, number of passengers, and RASK-CASK.

Maintain HOLD and a TP of THB1.26

We maintain HOLD and our TP of THB1.26, based on 6x 2026E P/E. We think AAV's net profits will remain under pressure in 2H26 and likely to continue into 2027E on the back of the high fuel cost, weak tourist arrivals in Thailand, and intensifying competitions.

Analyst

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ESG Rating : AAA

CG Rating :

HOLD

Target Price 12M (THB)	**1.26**
VS. BB Consensus TP (%)	+7.5%
Share Price (THB)	1.05
Upside/Downside	+2.5%

Share Data

Market Cap (THB m)	13,492.50
Par (THB)	0.10
Free Float (%)	36.21
Issued shares (m shares)	12,850

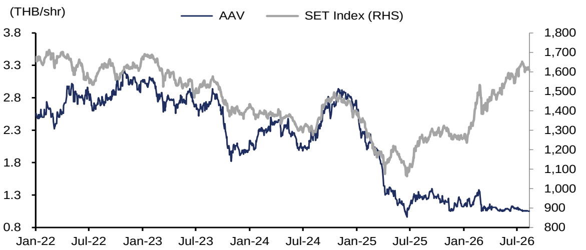
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	45,691	51,632	57,058	58,660
Net profit	2,336	1,230	1,727	2,606
Core net profit	2,336	1,230	1,727	2,606
vs Consensus (%)		(150.2)	126.7	89.1
Net profit growth (%)	(32.8)	(47.4)	40.4	50.9
Core net profit growth (%)	(32.8)	(47.4)	40.4	50.9
EPS (THB)	0.18	0.10	0.13	0.20
Core EPS (THB)	0.18	0.10	0.13	0.20
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.00	0.00	0.00	0.00
P/E (x)	6.16	10.97	7.81	5.18
P/BV (x)	1.06	0.91	0.82	0.71
ROE (%)	18.74	8.68	11.04	14.63
Dividend yield (%)	-	-	-	-

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(2.78)	-	(17.97)	(6.25)
Market	(1.96)	(6.01)	(27.32)	(26.85)
12M High/Low (THB)				1.43 / 0.98



Major Shareholders (%) as of 11 Mar 2026

Airasia Aviation Group Limited	40.71
Mr. Tassapon Bijleveld	17.75

Company Profile

The Company operates as a holding company, the Company holds only Thai AirAsia Co., Ltd , a low fare airline . Thai AirAsia Co., Ltd.'s revenues are mainly from scheduled passenger services and ancillary services.

Source: SETSMART, SET

Globlex Securities Co., Ltd.

Exhibit 1: Summary of 2Q26/6M26 operations

	2Q25	1Q26	---------------- 2Q26 ------------------			6M25	6M26	chg.	2026E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	**9,820**	**13,530**	**10,046**	**(25.8)**	**2.3**	**23,045**	**23,575**	**2.3**	**51,632**
Operating costs	(9,402)	(10,067)	(10,317)	2.5	9.7	(19,495)	(20,383)	4.6	(44,388)
EBITDA	**418**	**3,463**	**(271)**	**(107.8)**	**(164.9)**	**3,550**	**3,192**	**(10.1)**	**7,244**
EBITDA margin (%)	4.3	25.6	(2.7)	nm	nm	15.4	13.5	nm	14.0
Depn & amort.	(1,188)	(1,263)	(1,273)	0.8	7.1	(2,283)	(2,536)	11.1	(4,577)
EBIT	(770)	2,201	(1,545)	(170.2)	100.6	1,268	656	(48.2)	2,667
Interest expense	(697)	(681)	(644)	(5.4)	(7.7)	(1,380)	(1,325)	(4.0)	(2,596)
Interest & invt inc	110	27	93	242.2	na	122	121	na	79.9
Other income	1,461	(479)	40	(108.3)	(97.3)	1,797	(440)	(124.5)	1,386.5
Associates' contrib	-	-	-	na	na	-	-	na	-
Exceptionals	-	-	-	na	na	-	-	na	-
Pretax profit	**104**	**1,068**	**(2,055)**	**(292.5)**	**na**	**1,807**	**(988)**	**(154.7)**	**1,537**
Tax	110	(227)	(270)	19.0	(346.1)	(205)	(498)	142.5	(307)
Tax rate (%)	(105.3)	21.3	(13.2)	nm	nm	11.4	(50.4)	nm	20.0
Minority interests	-	-	-	na	na	-	-	na	-
Net profit	**214**	**841**	**(2,326)**	**(376.7)**	**(1,185.7)**	**1,601**	**(1,485)**	**(192.7)**	**1,230**
Non-recurring				na	na	-	-	na	
Core net profit	**214**	**841**	**(2,326)**	**(376.7)**	**(1,185.7)**	**1,601**	**(1,485)**	**(192.7)**	**1,230**
EPS (THB)	0.02	0.07	(0.18)	(376.7)	(1,185.7)	0.12	(0.12)	(192.7)	0.10
Core EPS (THB)	0.02	0.07	(0.18)	(376.7)	(1,185.7)	0.12	(0.12)	(192.7)	0.10

Sources: AAV, Globlex Research

Exhibit 2: 2Q26/6M26 key performance

		2Q25	1Q26	2Q26	(q-q%)	(y-y%)	6M25	6M26	(q-q%)
Pax carried	(m pax)	4.82	6.17	4.03	*(34.7)*	*(16.4)*	10.40	10.20	*(1.9)*
Domestic	(m pax)	3.33	4.29	2.83	*(34.0)*	*(15.0)*	7.05	7.12	*1.0*
International	(m pax)	1.49	1.87	1.20	*(35.8)*	*(19.5)*	3.35	3.08	*(8.1)*
Capacity	(m seats)	5.92	7.02	5.14	*(26.8)*	*(13.2)*	12.31	12.16	*(1.2)*
Domestic	(m seats)	3.95	4.83	3.56	*(26.3)*	*(9.9)*	8.05	8.39	*4.2*
International	(m seats)	1.96	2.19	1.58	*(27.9)*	*(19.4)*	4.25	3.78	*(11.1)*
Load factor	(%)	82	88	78	*(10.0)*	*(4.0)*	84	84	-
Domestic	(%)	84	89	80	*(9.0)*	*(4.0)*	88	85	*(3.0)*
International	(%)	76	85	76	*(9.0)*	-	79	81	*2.0*
RPK	(m)	4,793	6,039	3,873	*(35.9)*	*(19.2)*	10,450	9,912	*(5.1)*
ASK	(m)	6,030	6,966	4,910	*(29.5)*	*(18.6)*	12,743	11,876	*(6.8)*
Number of fleets	(aircraft)	62	62	62	-	-	62	62	-
Number of operating aicraft	(aircraft)	52	58	46	*(20.7)*	*(11.5)*	53	52	*(1.9)*
Aircraft utilisation	(hour/day)	11.6	12.5	11.0	*(12.0)*	*(5.2)*	12.2	11.8	*(3.3)*
On time performance	(%)	85	66	88	*22.0*	*3.0*	79	77	*(2.0)*
Average fares	(THB)	1,676	1,836	2,127	*15.8*	*26.9*	1,821	1,951	*7.1*
Domestic	(THB)	1,280	1,441	1,636	*13.5*	*27.8*	1,517	1,519	*0.1*
International	(THB)	2,563	2,743	3,279	*19.5*	*27.9*	2,802	2,953	*5.4*
Rask	(THB)	1.63	1.94	2.05	*5.7*	*25.8*	1.81	1.99	*9.9*
Cask	(THB)	1.83	1.69	2.44	*44.4*	*33.3*	1.78	2.00	*12.4*
Cask ex fuel	(THB)	1.26	1.11	1.43	*28.8*	*13.5*	1.19	1.24	*4.2*
Cask fuel	(THB)	0.57	0.58	1.01	*74.1*	*77.2*	0.59	0.76	*28.8*
Passenger yield	(%)	2.75	2.72	2.63	*(0.1)*	*(0.1)*	2.53	2.69	*0.2*

* Note: Change in margin % is represented in ppt change
Sources: AAV, Globlex Research

Balance sheet (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	2,105	4,202	6,739	9,685	12,950
Account receivable	1,354	1,365	1,377	1,391	1,404
Inventories	591	704	823	906	914
Others	11,452	10,485	11,849	13,094	13,461
Non-current assets					
Net fixed assets	4,337	6,334	5,888	5,441	4,994
Others	55,535	53,247	53,247	53,247	53,247
Total Assets	**75,373**	**76,338**	**79,923**	**83,764**	**86,972**
Current liabilities					
Account payable	1,051	973	1,138	1,253	1,264
ST borrowing	17,394	10,517	10,517	10,517	10,517
Others	10,621	16,839	19,029	21,028	21,619
Long-term liabilities					
Long-term debts	33,366	32,600	32,600	32,600	32,600
Others	1,562	1,852	1,852	1,852	1,852
Total liabilities	**63,994**	**62,781**	**65,137**	**67,251**	**67,852**
Paid-up capital	1,285	1,285	1,285	1,285	1,285
Retained earnings	(5,705)	(3,520)	(2,290)	(563)	2,043
Others	15,800	15,791	15,791	15,791	15,791
Minority interest	0	0	0	0	0
Shareholders' equity	**11,379**	**13,556**	**14,786**	**16,514**	**19,120**

Profit & loss (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**49,436**	**45,691**	**51,632**	**57,058**	**58,660**
Cost of goods sold	(36,779)	(35,092)	(41,060)	(45,198)	(45,597)
Gross profit	**12,656**	**10,599**	**10,573**	**11,860**	**13,063**
Operating expenses	(3,187)	(3,648)	(3,329)	(3,679)	(3,782)
Operating profit	**9,469**	**6,951**	**7,244**	**8,181**	**9,281**
EBIT	**5,370**	**2,069**	**2,667**	**3,143**	**4,199**
Depreciation	(4,099)	(4,882)	(4,577)	(5,038)	(5,082)
EBITDA	**9,469**	**6,951**	**7,244**	**8,181**	**9,281**
Non-operating income	**1,407**	**3,609**	**1,466**	**1,612**	**1,655**
Other incomes	1,327	3,299	1,386	1,532	1,575
Other non-op income	80	310	80	80	80
Non-operating expense	**(2,596)**	**(2,826)**	**(2,596)**	**(2,596)**	**(2,596)**
Interest expense	(2,596)	(2,826)	(2,596)	(2,596)	(2,596)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	0	0	0	0	0
Pre-tax Profit	**4,180**	**2,851**	**1,537**	**2,159**	**3,257**
Extraordinary items					
Current taxation	(703)	(515)	(307)	(432)	(651)
Minorities	0	0	0	0	0
Net Profit	**3,478**	**2,336**	**1,230**	**1,727**	**2,606**
Core net profit	**3,478**	**2,336**	**1,230**	**1,727**	**2,606**
EPS (THB)	**0.27**	**0.18**	**0.10**	**0.13**	**0.20**
Core EPS (THB)	**0.27**	**0.18**	**0.10**	**0.13**	**0.20**

Key ratios Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	19.9	(7.6)	13.0	10.5	2.8
Operating profit	46.7	(26.6)	4.2	12.9	13.4
EBITDA	46.7	(26.6)	4.2	12.9	13.4
Net profit	646.6	(32.8)	(47.4)	40.4	50.9
Core net profit	646.6	(32.8)	(47.4)	40.4	50.9
EPS	614.1	(32.8)	(47.4)	40.4	50.9
Core EPS	614.1	(32.8)	(47.4)	40.4	50.9
Profitability (%)					
Gross margin	25.6	23.2	20.5	20.8	22.3
Operation margin	19.2	15.2	14.0	14.3	15.8
EBITDA margin	19.2	15.2	14.0	14.3	15.8
Net margin	7.0	5.1	2.4	3.0	4.4
ROE	35.1	18.7	8.7	11.0	14.6
ROA	4.9	3.1	1.6	2.1	3.1
Stability					
Interest bearing debt/equity (x)	4.5	3.2	2.9	2.6	2.3
Net debt/equity (x)	4.3	2.9	2.5	2.0	1.6
Interest coverage (x)	2.1	0.7	1.0	1.2	1.6
Interest & ST debt coverage (x)	0.3	0.2	0.2	0.2	0.3
Cash flow interest coverage (x)	0.0	0.2	0.1	0.1	0.1
Current ratio (x)	0.5	0.6	0.7	0.8	0.9
Quick ratio (x)	0.1	0.2	0.3	0.3	0.4
Net debt (THB m)	48,655.3	38,915.3	36,378.9	33,432.2	30,167.5
Activity					
Asset turnover (X)	0.7	0.6	0.6	1.0	2.1
Days receivables	10.0	10.9	9.7	8.9	0.0
Days inventory	5.9	7.3	7.3	7.3	0.0
Days payable	10.4	10.1	10.1	10.1	0.0
Cash cycle days	5.4	8.1	6.9	6.1	0.0

Cash flow (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow	**1,615**	**12,091**	**5,026**	**5,648**	**5,572**
Net profit	3,478	2,336	1,230	1,727	2,606
Depre.& amortization	4,099	4,882	4,577	5,038	5,082
Change in working capital	(3,532)	6,983	860	773	212
Others	(2,431)	(2,111)	(1,641)	(1,889)	(2,329)
Investment cash flow	**(6,259)**	**2,869**	**2,526**	**2,937**	**3,255**
Net CAPEX	(4,353)	(6,880)	(10)	(10)	(10)
Change in LT investment	(1,906)	9,748	2,536	2,947	3,265
Change in other assets	0	0	0	0	0
Free cash flow	**(4,644)**	**14,959**	**7,552**	**8,585**	**8,826**
Financing cash flow	**5,464**	**(12,862)**	**(5,016)**	**(5,638)**	**(5,562)**
Change in share capital	0	0	0	0	0
Net change in debt	0	0	0	0	0
Divident paid	0	0	0	0	0
Others	5,464	(12,862)	(5,016)	(5,638)	(5,562)
Net cash flow	**820**	**2,098**	**2,536**	**2,947**	**3,265**
Per share (THB)					
EPS	0.27	0.18	0.10	0.13	0.20
Core EPS	0.27	0.18	0.10	0.13	0.20
CFPS	0.62	0.56	0.45	0.53	0.60
BVPS	0.93	1.05	1.15	1.29	1.49
Sales/share	4.02	3.56	4.02	4.44	4.56
EBITDA/share	0.77	0.54	0.56	0.64	0.72
DPS	0.00	0.00	0.00	0.00	0.00
Valuation					
P/E (x)	10.20	6.16	10.97	7.81	5.18
P/BV (x)	3.12	1.06	0.91	0.82	0.71
Dividend yield (%)	-	-	-	-	-
Divdend payout ratio (%)	0	0	0	0	0

ASIA AVIATION (AAV TB)| THAILAND / SET / AVIATION

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment Total Scope 1-3 GHG emissions reached 1,972,996 tCO_2e in 2025, led by Scope 1 (fuel) at 1,630,248 tCO_2e — a restated series now including ground operations, with the 2025 increase driven by domestic flight network expansion. Scope 2 fell to 1,690 tCO_2e (from 1,923), while Scope 3 rose to 341,058 tCO_2e (+10.3%) on higher upstream jet-fuel production emissions tied to increased flight frequency. Emissions data is third-party verified by MASCI under CORSIA. Ground-fleet and route-efficiency initiatives delivered a 41,294-tonne CO_2 reduction and THB 278.2 million in cost savings via the Low Emission Support Scheme (LESS).	AAA	5.14
Social Workforce stood at 5,429 employees (December 2025). Safety performance continued a multi-year improving trend, with employee LTIFR falling to 0.74 (from 0.94 the prior year, down from 1.12 several years earlier) and zero fatalities maintained throughout. Voluntary employee turnover met target at 3.9%. The share of female pilots rose to 6.1% (from 5.34%), reflecting incremental progress on a historically male-dominated flight-crew base.		7.73
Governance The Board comprises 12 directors, 4 independent (33%), with the Audit Committee made up entirely of 3 independent directors. AAV holds a 5-star "Excellent" CG Rating (2025 Thai IOD survey). No CAC certification was disclosed in the reviewed materials.		5.16
Overall | CG Score: Excellent (5-star)	**AAA**	**6.09**

SET ESG Rating (AAA) as provided. Bloomberg ESG scores reflect latest available data (Environment 5.14, Social 7.73, Governance 5.16, composite 6.09). CG Score of 5 (Excellent) reflects the 2025 Thai IOD survey.
Sources: AAV Annual Report 2025 (Form 56-1 One Report), AAV Sustainability Report 2025, Globlex Securities Research.

SET ESG Ratings 2025 | Thai Listed Companies — As of 9 January 2026

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	HANA	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	NER
NOBLE	OR	ORI	OSP	PB	PLANB	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	SCC	SCG	SCGP	SIRI	SJWD
SKY	SNP	STA	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	SFLEX	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-100)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	ITC	JMT	KSL	M
MALEE	MGC	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	TWPC
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

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Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.
* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight:	The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral:	The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight:	The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.