COMPANY RESULTS

# THAI AIRWAYS (THAI TB)

THAILAND / SET / AVIATION

12 November 2026

## Clearer sky in 2027

- A poor 3Q26 hurt by fuel cost hike despite improving operations
- 4Q26 outlook remains bleak but 2007 should improve meaningfully
- Maintain BUY but cut TP to THB8.6

### Fuel cost hike bit 3Q26

3Q26 net profit (NP) was weak at THB432m, down from a net profit (NP) of THB4.4b in 3Q25 and a NP of THB1.5b in 2Q26, on the weaker operations on the hiking fuel cost (+57% y-y). Excluding non-recurring items, which included expense of THB641m flood impact and THB559m FX loss, core net profit was THB694m, down 42% q-q and 87% y-y due to the higher financial and fuel cost. Operations though strengthened despite the lingering Middle East war impact, with higher number of passengers to 3.97m (+2% y-y), higher available Seat Kilometer (ASK) to 17.8k m (+0.9% y-y), and higher Revenue Passenger Kilometer (RPK) to 12k m (+0.6% y-y).

### Revenue improved but cost rose faster

3Q26 revenue was THB48.5b, up 12.9% y-y, mainly on a higher passenger revenue to THB39.5b (+11% y-y) and freight revenue grew by 22% y-y to THB5.4b. Passenger yield rose to THB2.88/RPK (+10% y-y) to offset the drop in cabin factor at 76.5% (-0.3% pts y-y). Flight hours jumped to 89,057 hours (+3.9% y-y) in 3Q26, mainly due to the high aircraft utilization rate to 13.0hours/day (-3.7% y-y). On the cost side, fuel cost jumped to THB18.1b (+57% y-y) on higher jet fuel price to USD153/bbl in 3Q26 (-18% q-q, +60% y-y) and accounted for 39% of total cost while non-fuel costs increased to THB28.2b (+16% y-y), rising faster than revenue growth at 12.9% y-y. Financial cost was THB3.4b, up 7% y-y, on higher debts.

### Growth strategy remains in place

In 3Q26, THAI continued to deliver efficient management of fleet and routes, adding a y-y 13 new aircraft as planned into its fleet to bring a total number of aircraft in service to 91. However, THAI had to optimize its capacity in response to the fuel cost spike and demand shock. In 2026, THAI plans to add 20 new aircraft, mostly added in 2H26.

### Operations improved despite the hiking fuel cost

In 3Q26, most operational factors improved y-y despite the hiking oil price, including RPK (+0.6% y-y), ASK (+0.9% y-y), and Cabin factor improved to 76.5%. Revenue from THAI's routes remained strong – domestic at THB1.9b (+16% y-y), Asia at THB18.3b (+14% y-y), Europe at THB15b (+7% y-y), and Australia at THB4.2b (+10% y-y), bringing International route revenue at THB37.5b (+10% y-y).

### Still a BUY but cut our TP to THB8.6

Maintain BUY but cut our TP from THB12, previously based on 10.0x 2026E P/E, to THB8.6, now based on 7x 2027E P/E, to reflect our cuts in EPS forecast by 41% to incorporate the 21.7% increase in our fuel cost assumption.

**ESG Rating : n.a.**

**CG Rating : n.a.**

**BUY**

| | |
|---|---|
| **Target Price 12M (THB)** | **8.60** |
| VS. BB Consensus TP (%) | +13.6% |
| Share Price (THB) | 5.15 |
| Upside/Downside | +67.0% |

### Share Data

| | |
|---|---|
| Market Cap (THB m) | 145,762 |
| Par (THB) | 1.30 |
| Free Float (%) | 43.14 |
| Issued shares (m shares) | 28,303 |

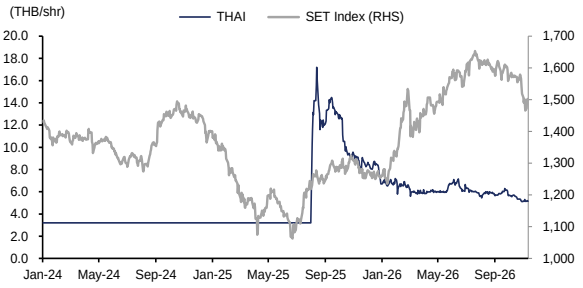
### Financial forecast

| YE Dec (THB m) | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue | 183,442 | 164,714 | 180,275 | 194,462 |
| Net profit | 30,910 | 16,342 | 34,927 | 41,928 |
| Core net profit | 23,267 | 16,342 | 34,927 | 41,928 |
| vs Consensus (%) | | (0.5) | 75.9 | 86.8 |
| Net profit growth (%) | 214.8 | (47.1) | 113.7 | 20.0 |
| Core net profit growth (%) | 2.3 | (29.8) | 113.7 | 20.0 |
| EPS (THB) | 1.09 | 0.58 | 1.23 | 1.48 |
| Core EPS (THB) | 0.82 | 0.58 | 1.23 | 1.48 |
| Chg from previous (%) | | (40.94) | 0.00 | 0.00 |
| DPS (THB) | 0.21 | 0.14 | 0.31 | 0.37 |
| P/E (x) | 6.36 | 8.92 | 4.17 | 3.48 |
| P/BV (x) | 2.59 | 1.69 | 1.25 | 0.97 |
| ROE (%) | 38.35 | 20.17 | 34.36 | 31.37 |
| Dividend yield (%) | 33.10 | 35.68 | 16.69 | 13.91 |

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

| | 1M | 3M | 6M | YTD |
|---|---|---|---|---|
| Stock | (7.96) | (11.11) | (13.33) | (25.18) |
| Market | (3.34) | (4.57) | (14.07) | (37.26) |
| 12M High/Low (THB) | | | | 9.65 / 5.00- |




### Major Shareholders (%) as of 27 Apr 2026

| | |
|---|---|
| Ministry of Finance | 38.90 |
| Bangkok Bank | 8.49 |

### Company Profile

THAI operates a fully integrated commercial airline business both domestically and internationally.

Source: SETSMART, SET


**Analyst**

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## Exhibit 1: Summary of 3Q26/9M26 operations

| | 3Q25 | 2Q26 | ---------- 3Q26 ---------- | | | 9M25 | 9M26 | chg. | 2026E |
|---|---|---|---|---|---|---|---|---|---|
| | (THB m) | (THB m) | (THB m) | (q-q%) | (y-y%) | (THB m) | (THB m) | (y-y%) | (THB m) |
| **Revenue** | **42,923** | **47,121** | **48,466** | ***2.9*** | ***12.9*** | **136,508** | **145,279** | ***6.4*** | **164,714** |
| Operating costs | (32,001) | (40,808) | (42,660) | *(4.5)* | *(33.3)* | (98,316) | (116,950) | *(19.0)* | (132,128) |
| **EBITDA** | **10,922** | **6,312** | **5,807** | ***(8.0)*** | ***(46.8)*** | **38,192** | **28,329** | ***(25.8)*** | **32,586** |
| EBITDA margin (%) | 25.4 | 13.4 | 12.0 | *nm* | *nm* | 28.0 | 19.5 | *nm* | 19.8 |
| Depn & amort. | (3,835) | (4,122) | (4,267) | *(3.5)* | *(11.3)* | (10,138) | (12,189) | *(20.2)* | (13,832) |
| **EBIT** | **7,086** | **2,190** | **1,539** | ***(29.7)*** | ***(78.3)*** | **28,054** | **16,139** | ***(42.5)*** | **18,754** |
| Interest expense | (3,137) | (3,165) | (3,362) | *(6.2)* | *(7.2)* | (10,010) | (9,514) | *5.0* | (8,969) |
| Interest & invt inc | 1,123 | 1,091 | 1,137 | *4.2* | *1.2* | 3,365 | 3,316 | *(1.5)* | 4,458.9 |
| Other income | 363 | 778 | 532 | *(31.7)* | *46.6* | 988 | 1,560 | *57.9* | 1,239.6 |
| Associates' contrib | (8) | 27 | (11) | *(139.4)* | *(40.1)* | 24 | 45 | *87.9* | 70.0 |
| Exceptionals | (1,001) | (60) | (481) | *(705.3)* | *52.0* | 3,981 | 517 | *(87.0)* | - |
| **Pretax profit** | **4,427** | **861** | **(646)** | ***(175.0)*** | ***(114.6)*** | **26,402** | **12,063** | ***(54.3)*** | **15,554** |
| Tax | (6) | 676 | 227 | *(66.4)* | *4,166.2* | (8) | (837) | *(10,561.1)* | 774 |
| Tax rate (%) | 0.1 | (78.5) | 35.2 | *nm* | *nm* | 0.0 | 6.9 | *nm* | (5.0) |
| Minority interests | (8) | (9) | (13) | *(42.9)* | *(75.4)* | (25) | (37) | *(49.5)* | 13.6 |
| **Net profit** | **4,413** | **1,528** | **(432)** | ***(128.2)*** | ***(109.8)*** | **26,369** | **11,189** | ***(57.6)*** | **16,342** |
| Non-recurring | (993) | 335 | (1,126) | *(436.1)* | *(13.4)* | 4,015 | 297 | *(92.6)* | |
| **Core net profit** | **5,406** | **1,193** | **694** | ***(41.8)*** | ***(87.2)*** | **22,354** | **10,892** | ***(51.3)*** | **16,342** |
| EPS (THB) | 0.16 | 0.05 | (0.02) | *(128.2)* | *(109.8)* | 0.93 | 0.40 | *(57.6)* | 0.58 |
| Core EPS (THB) | 0.19 | 0.04 | 0.02 | *(41.8)* | *(87.2)* | 0.79 | 0.38 | *(51.3)* | 0.58 |

Sources: THAI, Globlex Research

## Exhibit 2: 3Q26 key performance

| | Unit | 3Q25 | 2Q26 | 3Q26 | *(q-q%)* | *(y-y%)* |
|---|---|---|---|---|---|---|
| Number of passengers | (m pax) | 3.89 | 3.66 | 3.97 | *8.5* | *2.1* |
| Available Seat Kilometers (ASK) | (m) | 17,673 | 16,778 | 17,836 | *6.3* | *0.9* |
| Revenue Passenger Kilometers (RPK) | (m) | 13,573 | 11,993 | 13,649 | *13.8* | *0.6* |
| Cabin Factor * | (%) | 76.8 | 71.5 | 76.5 | *5.0* | *(0.3)* |
| Passenger Yield | (THB/RPK) | 2.61 | 3.20 | 2.88 | *(10.0)* | *10.3* |
| Available Dead Load Ton-Kilometers | (m) | 987 | 928 | 984 | *6.0* | *(0.3)* |
| Revenue Freight Ton-Kilometers | (m) | 526 | 499 | 503 | *0.8* | *(4.4)* |
| Freight Load Factor * | (%) | 53.3 | 53.8 | 51.1 | *(2.7)* | *(2.2)* |
| Freight carried | (tonne) | 122,118 | 111,383 | 110,080 | *(1.2)* | *(9.9)* |
| Freight Yield | (THB/RFTK) | 8.39 | 11.29 | 10.74 | *(4.9)* | *28.0* |
| Number of aircraft in operations | (aircraft) | 78.0 | 84.0 | 91.0 | *8.3* | *16.7* |
| Flight hours | (hour) | 85,703 | 83,649 | 89,057 | *6.5* | *3.9* |
| Aircraft utilization | (hour/day) | 13.5 | 12.9 | 13.0 | *0.8* | *(3.7)* |
| Average jet fuel price | (USD/bbl) | 96 | 187 | 153 | *(18.4)* | *59.8* |

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

## Exhibit 3: 3Q26 key performance

| Passenger and Excess Baggage Revenue by Region | (THB m) | 3Q25 | 2Q26 | 3Q26 | (q-q%) | (y-y%) |
|---|---|---|---|---|---|---|
| Domestic Routes | | 1,668 | 2,075 | 1,937 | (6.7) | 16.1 |
| International Routes | | 34,009 | 36,499 | 37,561 | 2.9 | 10.4 |
| Asia | | 16,158 | 19,014 | 18,378 | (3.3) | 13.7 |
| Europe | | 14,038 | 13,554 | 15,008 | 10.7 | 6.9 |
| Australia | | 3,813 | 3,931 | 4,175 | 6.2 | 9.5 |
| Total passenger and excess baggage revenue (excluding one-time items) | | 35,677 | 38,574 | 39,498 | 2.4 | 10.7 |
| **Average Passenger Yield by Region – THAI and its subsidiaries** | **(THB/RPK)** | | | | | |
| Domestic Routes | | 3.72 | 4.44 | 4.47 | 0.7 | 20.2 |
| International Routes | | 2.58 | 3.15 | 2.82 | (10.5) | 9.3 |
| Asia | | 2.88 | 3.55 | 3.11 | (12.4) | 8.0 |
| Europe | | 2.36 | 2.85 | 2.63 | (7.7) | 11.4 |
| Australia | | 2.34 | 2.69 | 2.51 | (6.7) | 7.3 |
| Total Average Passenger Yield | | 2.61 | 3.20 | 2.88 | (10.0) | 10.3 |
| **Expenses (excluding one-time items)** | **(THB m)** | | | | | |
| Employee benefits expenses | | 3,202 | 3,206 | 3,530 | 10.1 | 10.2 |
| Flight service expenses | | 4,958 | 4,779 | 5,157 | 7.9 | 4.0 |
| Crew expenses | | 1,385 | 1,362 | 1,436 | 5.4 | 3.7 |
| Aircraft repair and maintenance costs | | 3,503 | 4,897 | 5,647 | 15.3 | 61.2 |
| Depreciation and amortization expenses | | 3,835 | 4,122 | 4,267 | 3.5 | 11.3 |
| Inventories and supplies used expenses | | 2,338 | 2,385 | 2,544 | 6.7 | 8.8 |
| Selling and advertising expenses | | 2,492 | 2,610 | 3,302 | 26.5 | 32.5 |
| Other expenses | | 2,623 | 2,107 | 2,339 | 11.0 | (10.8) |
| Non-fuel Operating Expenses | | 24,336 | 25,468 | 28,222 | 10.8 | 16.0 |

Sources: Name of source

## Exhibit 4: Key changes in assumptions and EPS forecasts

| THB m | Current | | | Previous | | | Change (%) | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2026E | 2027E | 2028E | 2026E | 2027E | 2028E | 2026E | 2027E | 2028E |
| Revenue | 164,714 | 180,275 | 194,462 | 164,714 | 180,275 | 194,462 | 0.0 | 0.0 | 0.0 |
| Gross profit | 40,822 | 65,902 | 75,270 | 50,519 | 65,902 | 75,270 | (19.2) | 0.0 | 0.0 |
| Operating profit | 32,586 | 56,888 | 65,547 | 42,284 | 56,888 | 65,547 | (22.9) | 0.0 | 0.0 |
| Net profit | 16,342 | 34,927 | 41,928 | 27,671 | 34,927 | 41,928 | (40.9) | 0.0 | 0.0 |
| EPS (THB/share) | 0.58 | 1.23 | 1.48 | 0.98 | 1.23 | 1.48 | (40.9) | 0.0 | 0.0 |
| **Key assumptions** | | | | | | | | | |
| CASK | 2.73 | 2.33 | 2.33 | 2.48 | 2.33 | 2.33 | 10.1 | 0.0 | 0.0 |
| Pax. Carried | 13.2 | 13.9 | 14.5 | 13.2 | 13.9 | 14.5 | 0.0 | 0.0 | 0.0 |
| Fuel cost | 1.40 | 1.00 | 1.00 | 1.15 | 1.00 | 1.00 | 21.7 | 0.0 | 0.0 |

Sources: THAI; Globlex Research

| Balance sheet (THB m) Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | | | | | |
| Cash & ST investment | 84,212 | 78,579 | 44,774 | 71,273 | 103,386 |
| Account receivable | 13,973 | 12,294 | 10,786 | 9,135 | 7,354 |
| Inventories | 4,000 | 5,061 | 5,003 | 4,619 | 4,814 |
| Others | 32,824 | 47,565 | 42,709 | 46,744 | 50,423 |
| **Non-current assets** | | | | | |
| Net fixed assets | 37,025 | 42,356 | 42,525 | 42,689 | 42,847 |
| Others | 120,474 | 118,204 | 118,204 | 118,204 | 118,204 |
| **Total Assets** | **292,508** | **304,059** | **264,001** | **292,663** | **327,028** |
| | | | | | |
| **Current liabilities** | | | | | |
| Account payable | 28,311 | 29,393 | 29,057 | 26,825 | 27,955 |
| ST borrowing | 48,264 | 47,139 | 47,139 | 47,139 | 47,139 |
| Others | 11 | 1,056 | 948 | 1,038 | 1,120 |
| **Long-term liabilities** | | | | | |
| Long-term debts | 119,231 | 39,494 | 39,494 | 39,494 | 39,494 |
| Others | 51,102 | 111,066 | 61,066 | 61,066 | 61,066 |
| **Total liabilities** | **246,920** | **228,147** | **177,704** | **175,561** | **176,773** |
| Paid-up capital | 283,033 | 36,794 | 36,794 | 36,794 | 36,794 |
| Retained earnings | (104,136) | 30,216 | 40,615 | 71,456 | 104,653 |
| Others | (133,387) | 8,823 | 8,823 | 8,823 | 8,823 |
| Minority interest | 79 | 78 | 64 | 28 | (15) |
| **Shareholders' equity** | **45,589** | **75,912** | **86,297** | **117,102** | **150,255** |

| Profit & loss (THB m) Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Revenue** | **187,249** | **183,442** | **164,714** | **180,275** | **194,462** |
| Cost of goods sold | (125,681) | (125,321) | (123,892) | (114,373) | (119,192) |
| **Gross profit** | **61,568** | **58,120** | **40,822** | **65,902** | **75,270** |
| Operating expenses | (9,239) | (10,126) | (8,236) | (9,014) | (9,723) |
| **Operating profit** | **52,329** | **47,994** | **32,586** | **56,888** | **65,547** |
| **EBIT** | **39,302** | **34,003** | **18,754** | **44,119** | **52,240** |
| Depreciation | (13,026) | (13,991) | (13,832) | (12,769) | (13,307) |
| **EBITDA** | **52,329** | **47,994** | **32,586** | **56,888** | **65,547** |
| **Non-operating income** | **(46,204)** | **6,931** | **5,698** | **5,816** | **5,922** |
| Other incomes | (49,133) | 2,472 | 1,240 | 1,357 | 1,463 |
| Other non-op income | 2,929 | 4,459 | 4,459 | 4,459 | 4,459 |
| **Non-operating expense** | **(19,687)** | **(12,502)** | **(8,969)** | **(8,969)** | **(8,969)** |
| Interest expense | (18,781) | (13,154) | (8,969) | (8,969) | (8,969) |
| Other non-op expense | (906) | 653 | - | - | - |
| **Equity income/(loss)** | 63 | 34 | 70 | 70 | 70 |
| **Pre-tax Profit** | **(26,526)** | **28,467** | **15,554** | **41,036** | **49,264** |
| Extraordinary items | | | | | |
| Current taxation | (374) | 2,473 | 774 | (6,145) | (7,379) |
| Minorities | (33) | (30) | 14 | 36 | 43 |
| **Net Profit** | **(26,934)** | **30,910** | **16,342** | **34,927** | **41,928** |
| **Core net profit** | **22,734** | **23,267** | **16,342** | **34,927** | **41,928** |
| **EPS (THB)** | **(6.26)** | **1.09** | **0.58** | **1.23** | **1.48** |
| **Core EPS (THB)** | **5.28** | **0.82** | **0.58** | **1.23** | **1.48** |

| Key ratios Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%YoY)** | | | | | |
| Sales | 18.9 | (2.0) | (10.2) | 9.4 | 7.9 |
| Operating profit | 11.5 | (8.3) | (32.1) | 74.6 | 15.2 |
| EBITDA | 11.5 | (8.3) | (32.1) | 74.6 | 15.2 |
| Net profit | (195.9) | 214.8 | (47.1) | 113.7 | 20.0 |
| Core net profit | (7.6) | 2.3 | (29.8) | 113.7 | 20.0 |
| EPS | (148.6) | 117.5 | (47.1) | 113.7 | 20.0 |
| Core EPS | (53.1) | (84.4) | (29.8) | 113.7 | 20.0 |
| **Profitability (%)** | | | | | |
| Gross margin | 32.9 | 31.7 | 24.8 | 36.6 | 38.7 |
| Operation margin | 27.9 | 26.2 | 19.8 | 31.6 | 33.7 |
| EBITDA margin | 27.9 | 26.2 | 19.8 | 31.6 | 33.7 |
| Net margin | (14.4) | 16.9 | 9.9 | 19.4 | 21.6 |
| ROE | nm | 38.3 | 20.2 | 34.4 | 31.4 |
| ROA | 8.6 | 7.8 | 5.8 | 12.5 | 13.5 |
| **Stability** | | | | | |
| Interest bearing debt/equity (x) | 3.7 | 1.1 | 1.0 | 0.7 | 0.6 |
| Net debt/equity (x) | 1.8 | 0.1 | 0.5 | 0.1 | n.a. |
| Interest coverage (x) | 2.1 | 2.6 | 2.1 | 4.9 | 5.8 |
| Interest & ST debt coverage (x) | 0.6 | 0.6 | 0.3 | 0.8 | 0.9 |
| Cash flow interest coverage (x) | (0.1) | 0.1 | 0.2 | 0.2 | 0.2 |
| Current ratio (x) | 1.8 | 1.8 | 1.3 | 1.8 | 2.2 |
| Quick ratio (x) | 1.3 | 1.2 | 0.7 | 1.1 | 1.5 |
| Net debt (THB m) | 83,283 | 8,053 | 41,858 | 15,359 | (16,754) |
| **Activity** | | | | | |
| Asset turnover (X) | 0.6 | 0.6 | 0.6 | 1.0 | 1.8 |
| Days receivables | 27.2 | 24.5 | 23.9 | 18.5 | 0.0 |
| Days inventory | 11.6 | 14.7 | 14.7 | 14.7 | 0.0 |
| Days payable | 82.2 | 85.6 | 85.6 | 85.6 | 0.0 |
| Cash cycle days | (43.4) | (46.4) | (47.0) | (52.4) | 0.0 |

| Cash flow (THB m) Year ending Dec | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Operating cash flow** | **(32,501)** | **33,258** | **34,827** | **28,389** | **36,722** |
| Net profit | (26,934) | 30,910 | 16,342 | 34,927 | 41,928 |
| Depre.& amortization | 13,026 | 13,991 | 13,832 | 12,769 | 13,307 |
| Change in working capital | (10,772) | (11,997) | 5,979 | (4,143) | (881) |
| Others | (7,822) | 354 | (1,326) | (15,164) | (17,632) |
| **Investment cash flow** | **(55,799)** | **166,767** | **(27,872)** | **30,575** | **40,835** |
| Net CAPEX | (5,472) | (19,322) | (10) | (10) | (10) |
| Change in LT investment | (50,327) | 186,089 | (27,862) | 30,585 | 40,845 |
| Change in other assets | - | - | - | - | - |
| **Free cash flow** | **(88,300)** | **200,025** | **6,955** | **58,964** | **77,557** |
| **Financing cash flow** | **119,573** | **(205,658)** | **(40,761)** | **(32,465)** | **(45,444)** |
| Change in share capital | 117,020 | (103,916) | - | - | - |
| Net change in debt | 7 | (1) | (14) | (36) | (43) |
| Dividend paid | - | (5,944) | (5,944) | (4,086) | (8,732) |
| Others | 2,546 | (95,798) | (34,803) | (28,343) | (36,669) |
| **Net cash flow** | **31,273** | **(5,633)** | **(33,805)** | **26,499** | **32,113** |

| Per share (THB) | | | | | |
|---|---|---|---|---|---|
| EPS | (6.26) | 1.09 | 0.58 | 1.23 | 1.48 |
| Core EPS | 5.28 | 0.82 | 0.58 | 1.23 | 1.48 |
| CFPS | (6.36) | 1.59 | 1.07 | 1.68 | 1.95 |
| BVPS | 10.57 | 2.68 | 3.05 | 4.14 | 5.31 |
| Sales/share | 43.49 | 6.48 | 5.82 | 6.37 | 6.87 |
| EBITDA/share | 12.15 | 1.70 | 1.15 | 2.01 | 2.32 |
| DPS | 0.00 | 0.21 | 0.14 | 0.31 | 0.37 |
| **Valuation** | | | | | |
| P/E (x) | (0.5) | 6.4 | 8.9 | 4.2 | 3.5 |
| P/BV (x) | 0.31 | 2.59 | 1.69 | 1.25 | 0.97 |
| Dividend yield (%) | nm | 33.10 | 35.68 | 16.69 | 13.91 |
| Divdend payout ratio (%) | 0.00 | 19.23 | 25.00 | 25.00 | 25.00 |

## THAI AIRWAYS (THAI TB) | THAILAND / SET / AVIATION

### ESG Analysis

| ESG Assessment | SET ESG | Bloomberg |
|---|---|---|
| **Environment**<br>THAI's material environmental exposure is jet fuel-driven GHG emissions. Total GHG rose to 6,384,037 tCO2e in 2025 (+5.8% y-y), with Scope 1 at 5,673,675 tCO2e (+5.3% y-y), Scope 2 at 107,617 tCO2e (+26.2% y-y), and Scope 3 at 602,745 tCO2e, as fleet expansion (80 aircraft, +3 delivered in 2025) and rising passenger volumes (16.46m pax, +2.0% y-y) outpaced efficiency gains. Fuel consumption reached 2,336,384 thousand liters (+7.4% y-y), though intensity improved to 4.17 liters/RPK (from 4.20 in 2024) and 103.44g CO2/RPK (from 104.15g), aided by newer A321neo/787-9/A330-300 deliveries. SAF was used on select EU/UK routes (~2% blend) and the Bali route (20,000 liters). THAI targets Net Zero by 2050 and joined CAAT's SAF MOU in November 2025. | n.a. | n.a. |
| **Social**<br>Workforce grew to 12,858 employees in 2025 (+8.2% y-y from 11,883), including 1,223 pilots (+5.3%) and 4,122 cabin crew (+4.2%) supporting fleet and network expansion. THAI has held IATA Operational Safety Audit (IOSA) certification continuously since 2004 (most recently renewed December 2024) and IATA Safety Audit for Ground Operations (ISAGO) as of August 2025, underscoring flight safety as the Company's core social license to operate. 84% of employees completed the SET's mandatory ESG DNA e-learning course, above the 70% target. Provident fund participation stood at 92.48% of eligible staff. An Occupational Health and Safety Committee (OHSC) oversees compliance with the Occupational Safety, Health and Environment Act B.E. 2554; the report does not disclose LTIFR or injury-rate figures. | | n.a. |
| **Governance**<br>THAI completed its business rehabilitation plan in 2025: the Central Bankruptcy Court terminated the rehabilitation on June 16, 2025, and shares resumed trading on the SET on August 4, 2025 — a pivotal governance milestone after years under Plan Administrator control. The Board was expanded twice during the year, from 11 to 15 directors (AGM, December 19, 2025), of which 10 are independent (66.7%, well above the SET's one-third minimum) and 3 are female (20%); only 1 director is executive. The Company states it "plans to join" the Thai Private Sector Collective Action Against Corruption (CAC) — it is not yet a certified member. No Thai IOD CG rating has been assigned, consistent with THAI's status as a recently relisted issuer. | | n.a. |
| **Overall \| CG Score: n.a. \| CAC: Not yet certified (application pending)** | **n.a.** | **n.a.** |

*SET ESG Rating, Bloomberg ESG scores, and Thai IOD CG Score are not currently assigned for THAI, consistent with the Company's status as a newly relisted issuer following completion of its business rehabilitation and resumption of SET trading on August 4, 2025.*
*Sources: THAI Annual Registration Statement / Annual Report 2025 (Form 56-1 One Report), THAI ESG Performance 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.*

# GENERAL DISCLAIMER

## 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.