

Disclosure of Information Concerning the Connected Transactions of

Nok Airlines Public Company Limited

The Board of Directors' meeting no. 2/2018 of Nok Airlines Public Company Limited has resolution to approve to enter into the connected transaction with the connected person on receiving financial assistance with the details as follows:

1. Date of the transaction

Within April 2019

2. Related Parties and Relationship with Nok Airlines Public Company Limited

Lender : Mrs. Hatairatn Jurangkool

Relationship : - A shareholder of the Company, holding 688,505,942 shares (22.51 percent)
(as of 15 March 2019)

- A mother of two major shareholders, Mr. Nuttapol Jurangkool holding 756,375,032 shares and Mr. Thaveechat Jurangkool holding 650,901,137 shares. (as of 15 March 2019)

Borrower: Nok Airlines Public Company Limited

3. General information of the Connected Transaction

Credit line : An incremental Baht 1,000 million to be totaling Baht 3,000 million, separately draw down as needed by issuing one or more promissory notes, which each of the notes has the term of no longer than 180 days

Interest rate : No more than average of Minimum Loan Rate (MLR) plus 1.00% per annum (which the average of Minimum Loan Rate is the average of Minimum Loan Rate of Bangkok Bank, Kasikorn Thai Bank, and Siam Commercial Bank)
The current average of Minimum Loan Rate of Bangkok Bank, Kasikorn Thai Bank, and Siam Commercial Bank is 6.175%

Tenor : No longer than 12 months

Payment of Interest

and Principal : Payment on the maturity date of each promissory notes

Collateral : The Company does not provide any collateral for the creditor.

4. Objective

To use for working capital and general operation purpose

5. Total value and valuation criteria of the transaction

5.1 The transaction that the Company made with the connected person and her close relatives during period 6 months.

Loan (Baht)	Interest rate (%)	Start date	End date	Period (Day)	Interest (Baht)
100,000,000	6	15 Aug 2018	13 Dec 2018	120	1,972,602.74
300,000,000	6	30 Aug 2018	25 Feb 2019	179	8,827,397.26
100,000,000	6	25 Sep 2018	24 Oct 2018	29	476,712.33
100,000,000	6	26 Oct 2018	25 Dec 2018	60	986,301.37
100,000,000	6	24 Dec 2018	6 Mar 2019	72	1,183,561.64
100,000,000	6	24 Dec 2018	19 Mar 2019	85	1,397,260.27
100,000,000	6	24 Dec 2018	28 Mar 2019	94	1,545,205.48
100,000,000	6	24 Dec 2018	4 Apr 2019	101	1,660,273.97
100,000,000	6	25 Dec 2018	11 Apr 2019	107	1,758,904.11
					19,808,219.18

Total interest amount (during period 6 months) is 19,808,219.18 Baht

1.5.2 Size of transaction (Current transaction)

Size of transaction:

Loan (Baht)	The average of Minimum Loan Rate (MLR) plus 1.00% per annum (%)	Period (Day)	Interest (Baht)
3,000,000,000	7.125	180	107,625,000
3,000,000,000	7.125	180	107,625,000
			215,250,000

Total estimated interest amount per annum (current transaction) is 215,250,000 Baht

5.3 Total size of transaction

Size of transaction: Total value of the transactions are 235,058,219.18 Baht.

6. Characteristics and scope of interests of connected persons when agreeing to enter into such connected transaction.

The transaction is considered the connected transaction regarding the receipt of financial assistance pursuant to the Notifications on Connected Transactions.

In consideration of the size of the transaction under the Notifications on Connected Transactions, the size of transaction is larger than Baht 20 million. This transaction, therefore, is required an approval from the Board of Director and disclose the information to the Stock Exchange of Thailand, and then require approval from shareholders with no less than three-fourths of the total votes of shareholders attending the meeting and having voting rights, excluding interested shareholders' equity, Mrs. Hatairatn Jurangkool and Mr Sunsum Jurangkool holding 688,595,942 shares (22.51 percent) in total. In addition, the company is obliged to appoint an Independent Financial Advisor to give opinions regarding the transaction and prepare a report.

Nevertheless, the connected transaction as mentioned above was considered by the Audit Committee and the Board of Directors, respectively. The interested shareholders are not a member of any committee of the company, thus they do not take part in reviewing or approving such connected transaction aforesaid.

7. Names of connected persons and nature of relationship of the connected persons

None

8. Condition which may affect the rights of shareholders

None

9. Opinions of the Board of Director concerning the connected transaction

The Board of Directors approved the borrowing transaction from Mrs. Hatairatn Jurangkool to be an extra source of fund for working capital and general operational purpose, especially when the company are lack of liquidity and unable to get financing at the lower cost from any financial institutions. The financial assistance is reasonable as the interest rate is adjacent to Financial Institution's interest rate and the conditions are more flexible than loan from other person. The Company, therefore, obtains the highest benefits form the transaction.

10 Opinion of the Audit Committee and/or the Board of Directors having differing opinions from the Board of Director

The Audit Committee has the opinion in correspondence with the opinion of the Board of Directors, and none of the Directors had the different opinion or abstention.

Information disclosure of Nok Airlines Public Company Limited

1. General information

- Company name : Nok Airlines Public Company Limited
- Type of Business : The company operates as a budget airline or Low-cost Airline under the brand “Nok Air” providing domestic air transport services. Nok Air serves point-to-point routing by using single-aisle aircraft. The Company is considered as the leading domestic budget airline with the most domestic route coverage.
- Registered Capital : As of 31 December 2018, the Company has the registered capital in an amount of Baht 2,499.25 million, totaling of 2,499.25 million shares at the par value of Baht 1 per share.
- On January 22, 2019, the Extra-ordinary General Meeting of the Shareholders No. 1/2019 has resolved to approve the increase of registered capital to the existing shareholders proportionated to their respective shareholdings (Rights Offering) of Baht 908.80 million from the existing registered capital of Baht 2,499.25 million to the new registered capital of Baht 3,408.05 million by means of issuance 908.80 million newly-issued ordinary shares with the par value of Baht 1 each, and also approved the amendment to Clause 4 of Memorandum of Association of the Company to be in line with the capital increase. The Company determined the allocation ratio as 2.50 existing share to 1 newly-issued ordinary share at an offering price of Baht 2.75 per share.
- Paid-up Capital : As of 31 December 2018, the Company has the paid-up capital in an amount of Baht 2,272.00 million, totaling of 2,272.00 million shares at the par value of Baht 1 per share.
- On February 8, 2019, the Company received subscription in the amount of Baht 2,300.42 million for the issued and paid-up share capital totaling 836.52 million shares at an offering price of Baht 2.75 per share with a par value of Baht 1 per share. This resulted in share premium of Baht 1,463.90 million. The Company registered the paid-up share capital in the amount of Baht 3,108.52 million with the Ministry of Commerce on February 13, 2019.

The company's major development

Year	Events
2015	<ul style="list-style-type: none"> : Was delivered two Boeing 737-800 Next Generation aircrafts and two Bombardier Q400 NextGen aircrafts. : The ICAO's audit of Thailand's aviation system standards had no significant impact on the Company's business. : Increased the number of Bangkok-Yangon return flights from two to three flights per day to enhance passengers' travel time convenience, starting on 2 September 2015. : Invested in Air Black Box Asia Pacific Pte. Ltd. which was established in Singapore, to develop inter-airline ticket reservation systems, with registered capital of 4 million US dollars. The shareholder structure consisted of Nok Airlines Public Company Limited, with investment representing 25 percent, Scoot Pte Ltd., 25 percent, and TOD Holdings Co., Ltd., 50 percent.
2016	<ul style="list-style-type: none"> : Was delivered additional three Boeing 737-800 aircrafts and two Bombardier Q400 NextGen aircrafts in July 2016. : Cooperated with alliance airlines within the Asia-Pacific region under "Value Alliance" in order to enhance competitive edge and be able to offer various routes provided by alliance airlines. : Reduced the shareholding stake in Air Black Box Asia Pacific Pte. Ltd., with registered capital increased from 4 to 5.6 million US dollars. The shareholders consisted of Nok Airlines PCL, with investment representing 15 percent (decreased from 25 percent), Scoot Pte. Ltd., 15 percent (from 25 percent), ANA Holdings, Inc., 15 percent, Cebu Air, Inc., 15 percent, and VaultPAD Ventures Ltd. (previously named TOD Holdings Co., Ltd.) 40 percent.
2017	<ul style="list-style-type: none"> : The new way booking from Nok Air "Choose Your NOK" and the new service, Hot Meals, on board. : Took the aircrafts out of the fleet total four aircrafts, according to the company's business plan and took the delivery of brand-new aircraft which were two Boeing 737-800s Next Generation. : Increased the number of Charter flights such as Don Mueang-Nanning, Don Mueang - Yancheng, Don Mueang - Yinchuan, Don Mueang - Zhengzhou, U-Tapao - Haikou, U-Tapao - Yichang and so on. : Nok Air operates 3 flights per week from Mae Sot to Rangoon. : The launch of new five routes under "Fly 'n' Ride service" from and to the nearby destinations where the company does not directly operate by transferring passengers to the closest airports and transporting via buses to the final destinations. : Increased the various payment channels in five options to smooth your travel planning, namely BBL Direct, Debit, Big C, Rabbit LINE Pay, Rabbit LINE Pay and TESCO Lotus. : The Company's registered capital and paid-up capital are as follows:

Year	Events
2018	<p>Registered capital of 2,499,249,882 shares at par value of 1 baht per share with total value of 2,499,249,882 baht.</p> <p>Paid-up capital of 2,271,999,764 shares at par value of 1 baht per share with total value of 2,271,999,764 baht.</p> <p>: Added international routes for many chartered flights such as Don Mueang - Yinchuan, Don Mueang - Nantong, Chiangmai - Nanning, Phuket - Nanning, Phuket - Chendu, Don Mueang - Yancheng, Phuket - Xian, Phuket - Ho Hod, Phuket - Fuzhou, Phuket - Yichang, Phuket - Hefei, Utapao - Changsha, Utapao - Nanchang, Utapao - Lin Yi, Utapao - Datong, Utapao - Baotou, Utapao - Yin Chuan, Utapao - Mei Sian, Don Mueang - Petchboon, Don Mueang - Yichang, Don Mueang - Mei Sian, Phuket - Changzhou and Phuket - Zhengzhou.</p> <p>: Operated direct domestic scheduled flights: Udonthani - Ubonrajathani, Don Mueang - Petchboon and Don Mueang - Mae Hongson.</p> <p>: Added Fly ‘n’ Ride shuttle service to non – operated destinations for passengers by air-conditioned coach in 4 routes: Sisaket, Petchboon (KaoKor), Chiangrai (Maesai) and Lumpoon with another 7 Fly ‘n’ Ferry routes to Koh Buloon, Koh Jum, Koh Libon, Koh Rai Lay, Koh Lao Liang, Koh Yao Noi and Koh Yao Yai.</p> <p>: Added more payment channels to passengers with Alipay, WeChat Pay, Union Pay, first QR Payment service in Thailand and 123Myanmar channels to facilitate convenience to passengers in purchasing air tickets and payments which will further support the Company sales revenue.</p> <p>: Thairgroup “Nok Air - Thai Airways” allied in a campaign “Nok Air Changes Smiles to Mileages” upon purchasing pleasure air tickets (Nok MAX) and happy air tickets (Nok X-tra) where mileage points accumulation would be eligible with both Royal Orchid Plus (TG ROP) and Nok Point from June 21st, 2018.</p> <p>: In July 2018, Nok Air joined force with Nok Scoot in linking longer flying routes. Passengers would be able to travel from Chiangmai and Hat Yai to Bangkok and connect a flight to Tokyo or Taipei-Taiwan with only one booking through Nok Air website plus baggage worry-free from a check-through baggage service.</p> <p>: Nok Air awarded as Best Low-Cost Airline in Thailand 2018 from Skytrax on July 31st, 2018.</p> <p>: In August 2018, Nok Air ranked 1 of 5 airlines in Asia with ontime performance of 80% by OAG, a global largest airlines information website.</p>
2019	<p>: The Company had increased of the registered shares to 3,408.05 million shares with the par value of Baht 1 each, which the registered capital increased to Baht 3,408.05 million. The Company has already registered the paid-up share capital in the amount of Baht 3,108.52 million with the Ministry of Commerce on 13 March 2019.</p>

2. Subsidiaries / Joint Ventures

Company	Shareholding	Type of business
1. Nok Mangkang Co., Ltd.	49%	Invests in NokScoot Airlines Co., Ltd who operates a medium-haul international budget airline
2. Nok Holidays Co., Ltd.	49%	Tourism guiding and other relevant business
3. NokScoot Airlines Co., Ltd *	24.01%	Air transport service for passengers, parcel and parcel post
4. Pan Am International Flight Training Center (Thailand) Co., Ltd.	15%	Operates an international aviation training center which offers the most comprehensive aviation course covering the training of pilots, crews, maintenance personnel and other aviation professionals.
5. Air Black Box Asia Pacific Pte Ltd.	13.04%	Operates inter-airline ticket system development

* A subsidiary of Nok Mangkang Co., Ltd.

3. Nature of Business

● Products and Services

Nok Air operates a budget airline under the “Nok Air” brand where it provides domestic and international point-to-point air transport services. Nok Air provides extensive flight services covering every region across Thailand. At present, Nok Air has the most domestic route coverage in Thailand. As of December 31, 2018, Nok Air flew 29 routes of which 25 routes are domestic flights, 4 international routes with a total of 673 flights per week. To extend its wing to overseas territories, Nok Air signed the Interline Cooperation Agreement with NokScoot Airlines which allowed Nok Air to sell tickets from domestic destination such as Chiang Mai, Chiang Rai, Phuket, Udon Thani, Ubon Ratchathani, Nakhon Si Thammarat in Trang, and Hat Yai to Singapore. The agreement enables passengers to buy one single ticket that covers destinations operated by these two airlines.

The company was corporate with 8 Asia-Pacific low-cost airline alliances or “Value Alliance” consist of Nok Air, NokScoot, Scoot, Cebu Pacific (including Cebgo Air), Jeju Air, Tigerair Singapore, Tigerair Australia and Vanilla Air which cover all over Asia-Pacific region in order to facilitate the passengers.

Nok Air’s policy is to procure aircrafts that appropriately respond to flight demands in each route whether it’s primary, secondary and feeder routes. As of December 31, 2018, the Company has a fleet of 25 leased aircrafts, including 20 Boeing 737-800s, 8 Bombardier Q400s and 2 ATR-72s. An average age of Nok Air’s fleet was 6 years. An average aircraft

utilization of all types of aircraft, stood at 9.36 hours per day. Boeing 737-800 is a medium-haul narrow-body aircraft with jet engines. The aircraft are required in primary and secondary routes. Meanwhile, ATR 72-500 and Bombardier Q400 are small two-engine turboprop aircrafts designed for short-haul flight. Nok Air mostly flies these two aircraft types in secondary and feeder routes to suit modest demands along the routes. The Company receives investment promotional privileges under the Investment Promotion Act B.E. 2520 (and Amendment) from The Board of Investment of Thailand (BOI) in the large mass and cargo transport business.

● **Revenue Structure**

Consolidated Financial Statement	2016		2017		2018	
	Million Baht	%	Million Baht	%	Million Baht	%
Total revenue from transportation	14,762.41	87.15	17,386.00	85.32	16,699.71	84.60
Total Ancillary revenues^{/1}	1,463.21	8.64	2,186.11	10.73	2,560.12	12.97
Other revenues						
Interest income	36.61	0.22	23.91	0.12	25.46	0.13
Others	676.09	3.99	780.69	3.83	454.93	2.30
Total other revenue	712.70	4.21	804.60	3.95	480.39	2.43
Total revenue	16,938.32	100.00	20,376.71	100.00	19,740.22	100.00

^{/1} Ancillary revenues include revenue from travel changes, excessive baggage, ticket booking and payment fee and sales from snacks, drinks and souvenirs.

Nok Air's main source of revenues is transportation. Majority of the fare was from scheduled flight services both domestic and international routes, covering domestic route almost all primary, secondary and feeder domestic routes in the country totaling 27 routes and 3 international routes are schedule flight including international route of NokScoot Airlines Co., Ltd. which fully operate in 2017 after the impacted from the International Civil Aviation Organization (ICAO)'s safety standards, leading its initial plan to Japan and South Korea to temporarily defer. NokScoot therefore shifted its plan to operate flights to China instead since June 2015 onwards. In addition to scheduled flight service, chartered flight service is another source of revenue of Nok Air and NokScoot which most of them are chartered from Thailand to overseas. Such services are provided in addition to schedule flights, which significantly enable us to optimize our aircrafts. The ratio of other revenues is not very high because Nok Air has a policy to set air fare that already covers main services such as baggage and snacks so as not to collect additional charge on passengers like what other low-cost airlines do. This is one of the main strategies to differentiate Nok Air's service from others.

Other revenues consist of interest income, insurance refund, aircraft maintenance refund, including gain on sale and leaseback aircraft and others.

4. Board of Directors, Managements and Major shareholders

As of 15 March 2019, Nok Air's Board of Directors comprised a total number of 11 directors as follows:

	Name	Position
1	Mr. Prasert Bunsumpun	Independent Director / Chairman of the Board / Chairman of Executives
2	Mr. Pravej Ongartsittigul	Director / Member of the Executive Committee / Acting Chief Executive Officer
3	Mrs. Nalinee Ngamsettammas	Director / Member of the Executive Committee
4	Mr. Rathapol Bhakdibhumi	Director / Member of the Nomination and Remuneration Committee
5	Mr. Chavalit Uttasart	Director
6	Mr. Wiwat Piyawiroj	Director
7	Mr. Sumeth Damrongchaitham	Director
8	Mr. Apichart Chirabandhu	Independent Director / Chairman of the Nomination and Remuneration / Member of the Audit Committee
9	Mr. Visit Tantisunthorn	Independent Director / Member of the Audit Committee / Member of the Risk Management Committee
10	Mrs. Chiraporn Chemnasiri	Independent Director/Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee
11	Mrs. Heather Mary Suksem, OBE	Independent Director / Member of the Corporate Governance Committee

As of 15 March 2019, Nok Air's management officers were as follows:

	Name	Position
1	Mr. Pravej Ongartsittigul	Acting Chief Executive Officer / Acting Chief Operation Officer
2	Mr. Chairat Sangchan	Chief Operation Officer
3	Ms. Umaporn pornpimolwat	Chief Financial Officer
4	Mr. Thaveechai Ashareyaphadkul	Chief Commercial Officer

As of 15 March 2019, Nok Air's top ten major shareholders together with the number of shares held and their shareholding ratio were as follows:

	Shareholders	No. of ordinary shares	Shareholding %
1	Mr. Nuttapol Jurangkool	756,375,032	24.33
2	Mrs. Hathairatn Jurangkool	688,505,942	22.15
	Spouse (Mr. Sunsurin Jurangkool)	14,153	0.00
	Subtotal	688,520,095	22.15
3	Mr. Thaveechat Jurangkool	650,901,137	20.94
4	Thai Airways International Public Company Limited	495,390,721	15.94
5	Dr. Tham Chirathivat	11,600,000	0.37
6	Mr. Patee Sarasin	11,500,000	0.37
7	Mrs. Piriya Apithanothai	10,392,400	0.33
8	Mr. Somkiat Chinthammit	9,730,000	0.31
9	Mr. Sudhitham Chirathivat	9,036,800	0.29
10	Mrs. Manthana Chulasen	8,765,600	0.28
	Total	2,652,211,785	85.32
	Other shareholders	456,303,971	14.68
	Grand Total	3,108,515,756	100.00

5. Management Discussion and Analysis

Executive Summary

For the year ended on 31 December 2018, the Company and its subsidiaries reported that a net loss was 3,975.45 million Baht, compared to 1,899.67 million Baht last year. The net loss was consisted of the losses from the owners of the parent company in the amount of 2,786.76 million Baht and the net loss of non-controlling interests in the amount of 1,188.69 million Baht. The Company therefore would like to clarify the key factors and events affecting the Company's performance as follow.

An average Jet fuel price in 2018 was 85.77 USD per barrel which increased from 65.52USD per barrel from the last year. It was an impact on company's fuel cost to 4,884.33 million Baht or increased 19.96 percent from the last year. However, the Company entered into fuel hedging contracts partially as per the Company policy to reduce the exposure of fuel price volatility. Moreover, Revenue per Available Seat-Kilometer (RASK) decreased mainly from the Number of Chinese tourists

decrease as a result of the boat accident in Phuket. As well, the Company phased out 5 operating aircrafts out of fleet, therefore the total number of operating aircraft decreased from 30 Aircrafts in 2017 to 25 aircrafts at the end of 2018.

In 2017, the company and its subsidiaries generated total revenue of 20,376.71 million Baht and reported the net loss of 1,899.67 million Baht. This net loss was attributable to the loss from the parent company 1,854.29 million Baht and 45.38 million Baht from non-controlling interests. The Company's operating loss of the parent company was a result of higher operating cost than passenger revenue and service revenue. The main operating cost is that fuel cost increased from incremental Jet fuel price compared to the amount of the same period in last year.

For separated financial statements, the company's revenue in 2017 was 14,786.66 million Baht, which increased a 12.71 percent from last year. This is the result of both incremental passenger revenue and service revenue which increased at 10.74 and 53.41 percent respectively from last year mainly from increasing number of charter flights to China. A Revenue per Available Seat-Kilometers (RASK) also rose from 2.02 to 2.06 Baht/Seat-Kilometers or increased 1.98 percent from last year.

The company had operating cost in amount of 16,612.34 million Baht, which increased 5.50 percent from last year. The cause of decrease resulted from fuel cost increased from incremental Jet fuel price while reduction in aircraft maintenance expenses by cost saving according to the company's turnaround plan. Consequently, Cost per Available Seat-Kilometers (CASK) decreased from 2.51 to 2.40 Baht/seat-kilometers or decreased 4.38 percent from last year.

- **Financial Statement Positions of the year 2016 – 2018**

Financial Position	31 Dec 2016		31 Dec 2017		31 Dec 2018	
	Million Baht	%	Million Baht	%	Million Baht	%
ASSETS						
Cash and cash equivalents	3,231.2	53.8	3,169.85	21.8	1,419.9	10.1
Current investments	-	-	-	-	9.2	0.1
Trade and other current receivables	1,182.4	19.7	1,449.5	10.0	2,008.9	14.3
Inventories	31.4	0.5	32.2	0.2	50.2	0.4
Refundable Value Added Tax	132.5	2.2	-	-	-	-
Short-term aircraft deposits and prepayments	162.8	2.7	26.6	0.2	375.0	2.7
Other current assets	79.4	1.3	103.6	0.7	101.9	0.7
Total Current Assets	4,819.7	80.3	4,781.7	32.9	3,965.1	28.2
Deposits at bank pledged as collateral	251.4	4.2	1,300.9	9.0	1,122.9	8.0
Investment in joint venture	15.2	0.3	6.9	0.0	1.4	0.0

Financial Position	31 Dec 2016		31 Dec 2017		31 Dec 2018	
	Million	%	Million	%	Million	%
	Baht		Baht		Baht	
Other long-term investments	47.6	0.8	46.7	0.3	46.7	0.3
Maintenance reserve	-	-	7,192.5	49.5	7,788.3	55.3
Leasehold improvements and equipment	338.5	5.6	266.1	1.8	206.8	1.5
Intangible asset	65.2	1.1	47.5	0.3	45.7	0.3
Deferred tax assets	13.3	0.2	13.3	0.1	13.3	0.1
Long-term aircraft deposits and prepayments	417.4	7.0	827.8	5.7	820.1	5.8
Other non-current assets	32.5	0.5	39.4	0.3	63.8	0.5
Total Non-Current Assets	1,181.1	19.7	9,740.9	67.1	10,109.0	71.8
TOTAL ASSETS	6,000.8	100.0	14,522.6	100.0	14,074.1	100.0
LIABILITIES						
Short-term borrowings	700.0	11.7	700.0	4.8	2,400.0	17.1
Trade and other current payables	4,467.3	74.4	4,861.5	33.5	5,905.9	42
Deferred income from customer loyalty programmes	19.0	0.3	18.5	0.1	18.3	0.1
Provisions for aircraft return condition and short-term aircraft maintenance	128.2	2.1	108.8	0.7	120.6	0.9
Accrued withholding income tax	23.9	0.4	-	-	-	-
Other current liabilities	45.6	0.8	31.0	0.2	15.3	0.1
Total Current Liabilities	5,384.0	89.7	5,719.8	39.4	8,460.1	60.1
Provisions for aircraft maintenance as plan, aircraft return condition, and long-term aircraft maintenance	644.5	10.7	7,771.7	53.5	8,276.5	58.8
Provisions for employee benefit	222.9	3.7	242.2	1.7	273.9	1.9
Other non-current liabilities	89.0	1.5	97.9	0.7	95.2	0.7
Total Non-Current Liabilities	956.5	15.9	8,111.8	55.9	8,645.5	61.4
TOTAL LIABILITIES	6,340.5	105.7	13,831.6	95.2	17,105.6	121.5
SHAREHOLDERS' EQUITY						
Issued and paid share capital	625.0	10.4	2,272.0	15.6	2,272.0	16.1
Share premium on ordinary shares	3,042.5	50.7	4,325.9	29.8	4,325.9	30.7
Retained Earnings (Deficit) Appropriated						

Financial Position	31 Dec 2016		31 Dec 2017		31 Dec 2018	
	Million	%	Million	%	Million	%
	Baht		Baht		Baht	
Legal reserve	62.5	1.1	62.5	0.4	62.5	0.4
Unappropriated (deficit)	(3,485.1)	(58.1)	(5,339.4)	(36.8)	(8,122.0)	(57.7)
Deficit arising from change in ownership interest	(5.9)	(0.1)	(5.9)	(0.0)	(5.9)	0
Total shareholders' equity attributable to owners of the Company	239.3	4.0	1,315.0	9.1	(1,467.5)	(10.4)
Non-controlling interests	(578.6)	(9.6)	(624.0)	(4.3)	(1,564.1)	(11.1)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,000.8	100.0	14,522.6	100.0	14,074.0	100.0

Assets

As of 31 December 2018, the Company and its subsidiaries had total assets of 14,074.06 million Baht or decreased by 3.09% from year-end 2017. Total assets can be divided into current assets of 3,965.07 million Baht and non-current assets of 10,108.99 million Baht, accounting for 28.17% and 71.83%, respectively.

As of 31 December 2017, the Company and its subsidiaries had total assets of 7,330.15 million Baht, increased by 22.15% from year-end 2016. Total assets can be divided into current assets of 4,781.69 million Baht and non-current assets of 2,548.45 million Baht, accounting for 65.23% and 34.77%, respectively.

Total Current Assets: As of 31 December 2018, the Company and its subsidiaries had total current assets of 3,965.07 million Baht or decreased by 17.08% from as of 31 December 2017. It was attributable to the decreasing in Cash and Cash equivalents by 55.21% caused by Trade and Other current receivables increased by 38.60% from year-end 2017.

Total Non-Current Assets: As of 31 December 2018, the Company and its subsidiaries had total non-current assets of 10,108.99 million Baht or increased by 3.78% from as of 31 December 2017. Mainly from the Company and its subsidiary have reviewed the presentation in the financial statement from the present netting amount of the maintenance reserve and provision for aircraft maintenance as plan to be present gross amount of them to present those items separately as asset and liability of the Company and its subsidiary.

As of 31 December 2017, the company and its subsidiaries had total non-current assets of 2,548.45 million Baht or increased by 115.77% from as of 31 December 2016. It was attributable to the increasing in long-term aircraft deposits and prepayments by 98.32% caused by the increased of cash outflow to be Aircraft deposits and prepayments for acquired 2 new aircraft and increasing of deposits at bank pledged as collateral by 417.41%, which some cash was pledged for bank's credit facilities to financial institutions.

Liabilities and Shareholder's Equities

Total liabilities: As of 31 December 2018, the Company and its subsidiaries had total liabilities of 17,105.69 million Baht or increased by 23.67% from as of 31 December 2017, which mainly from short-term borrowings increased by 242.86% and trade payables increased by 21.48%. Moreover, in this period the Company and its subsidiary have reviewed the presentation in the financial statement as mentioned above.

As of 31 December 2017, the company and its subsidiaries had total liabilities of 6,639.14 million Baht or increased by 4.71% from as of 31 December 2016, which aligned with the increase of Trade and Other payables from increased accrued aircraft maintenance as well as unearned revenue passenger compared to that of 31 December 2016.

Shareholder's equities: As of 31 December 2018, the Company and its subsidiaries had negative shareholder's equities of 3,031.63 million Baht or negative increased 538.73% from the deficit as of 31 December 2017. It was composed of negative 1,467.55 million Baht to the parent company and negative 1,564.08 million Baht to non-controlling interests.

As of 31 December 2017, the company and its subsidiaries had shareholder's equities of 691.00 million Baht or increased 303.40% from the deficit as of 31 December 2016. It was composed of 1,315.02 million Baht to the parent company and negative 624.02 million Baht to non-controlling interests.

Since the company issued the Rights Offerings to increase of registered capital of the Company according to the Resolution of the AGM on 19 April 2017 as mentioned above. Issuing newly ordinary shares was 781.25 million shares which was composed of 625.00 million shares to the existing shareholders at the ratio of 1 existing share to 1 newly-issued ordinary share with the offering price of 2.40 Baht per share and 156.25 million shares to accommodate the exercise of warrant to purchase the ordinary shares. On 26 May 2017, the company sold newly ordinary shares about 511.00 million shares, or in amount of 1,226.40 million Baht.

Furthermore, on 27 October 2017 the company received cash from increase capital in amount of 1,704.00 million Baht by issued and paid-up share capital totaling 1,136.00 million shares at the offering price of 1.50 Baht per share. In addition, the company has a plan to manage their aircraft fleet, expansion their routes and increasing utilization of aircraft so that financial performance of the company will be recovering.

● **Statements of Profit or Loss and Other Comprehensive Income for the year 2016-2018**

Statements of Profit or Loss	31 Dec 2016		31 Dec 2017		31 Dec 2018	
	Million Baht	%	Million Baht	%	Million Baht	%
Passenger revenues	14,762.4	87.2	17,386.0	85.3	16,699.7	84.6
Service revenues	1,463.2	8.6	2,186.1	10.7	2,560.1	10.6
Other income	712.7	4.2	804.6	3.9	480.4	2.4
Total Revenue	16,938.3	100.0	20,376.7	100.0	19,740.2	100.0
Costs of passenger and services	19,087.5	112.7	21,031.6	103.2	22,551.2	114.2
Selling expenses	190.3	1.1	178.5	0.9	177.2	0.9
Administrative expenses	798.2	4.7	994.1	4.9	937.2	4.7
Finance costs	118.1	0.7	63.8	0.3	44.6	0.2
Total Expenses	20,194.1	119.2	22,268.0	109.3	23,710.2	120.0
Share of loss from investments in Joint Venture	14.1	0.1	(8.3)	(0.0)	(5.5)	(0.0)
Loss before income tax expenses	(3,269.9)	(19.3)	(1,899.7)	(9.3)	(3,975.5)	(20.0)
Income tax expenses	0.1	0.0	-	0.0	-	0.0
Loss for the year	(3,270.0)	(19.3)	(1,899.7)	(9.3)	(3,975.5)	(20.0)
Total comprehensive loss for the year	(3,281.8)	(19.4)	(1,899.7)	(9.3)	(3,975.5)	(20.0)
Total comprehensive loss attributable to						
Owners of the parent	(2,808.3)		(1,854.3)		(2,782.6)	
Non-controlling interests	(473.5)		(45.4)		(1,175.5)	
	(3,281.8)		(1,899.7)		(3,958.1)	
Basic loss per share (Baht)	(4.47)		(1.63)		(1.23)	

The Company's Performance

Revenue for the period (Excluding subsidiaries)

Unit: Million Baht	2017		2018		Change	
	Amount	% to total revenue	Amount	% to total revenue	Amount	%
Passenger Revenue	12,868.38	87.03	12,014.19	86.53	(854.19)	(6.64)
Service Revenue	1,257.96	8.51	1,476.95	10.64	218.99	17.41
Other Income	660.33	4.47	393.03	2.83	(267.30)	(40.48)
Total Revenue	14,786.66	100.00	13,884.16	100.00	(902.50)	(6.10)

Revenue

The company's revenue was 13,884.16 million Baht or decreased 6.10 percent from last year. It consists of 12,014.19 million Baht to passenger revenue which was 86.53 percent of total revenue, 1,476.95 million Baht to service revenue which was 10.64 percent of total revenue and 393.02 million Baht to other income which was 2.83 percent of total revenue. Therefore, Revenue per Available Seat-Kilometer (RASK) decreased from 2.06 to 1.93 Baht/passenger-kilometers, decreased by 6.31 percent from last year.

Passenger revenue: In 2018, passenger revenue decreased 854.19 million Baht, or 6.64 percent from the last year which resulting from decreased 0.86 percent in the total number of flight due to declining number of charter flights to China, also an average air fares decreased 9.85 percent from last year due to market price competition. Therefore, passenger yield decreased from 2.20 to 1.91 Baht/passenger-kilometers, decreased by 13.18 percent from last year.

Service revenue: In 2018, service revenue increased 218.99 million Baht, or 17.41 percent from the last year. The main causes of incremental baggage load revenue and service revenue because the Company had launched the new concept for booking ticket "Choose Your NOK" on 9 November 2017 to provide add-on products and services to serve all passenger needs which also received positive feedback from the customer continually.

Other income: In 2018, other income decreased 267.31 million Baht, or 40.48 percent from the last year. It resulted mainly from decrease in revenue from Insurance claim and Gain from Sale and Leaseback of Aircraft in amount of 113.29 million Baht and 243.40 million Baht respectively from the last year.

Unit: Million Baht	2016		2017		Change	
	Amount	% to total revenue	Amount	% to total revenue	Amount	%
Passenger Revenue	11,619.85	88.57	12,868.38	87.03	1,248.53	10.74
Service Revenue	819.97	6.25	1,257.96	8.51	437.99	53.42
Other Income	679.85	5.18	660.33	4.46	(19.52)	(2.87)
Total Revenue	13,119.67	100.00	14,786.67	100.00	1,667.00	12.71

The company's revenue was 14,786.67 million Baht increased 12.71 percent. It consists of 12,868.38 million Baht to passenger revenue which was 87.03 percent of total revenue, 1,257.96 million Baht to service revenue which was 8.51 percent of total revenue and 660.33 million Baht to other income which was 4.47 percent of total revenue. Therefore, revenue per available seat-kilometer (RASK) was at 2.06 Baht per seat-kilometers, rose by 1.98 percent from last year.

Passenger revenue: In 2017, passenger revenue increased obviously 10.74 percent from last year which resulting from increased in both the total number of passenger and number of flights which increased at 2.57 and 6.10 percent respectively due to increasing number of charter flights to China, also an average air fares increased 8.15 percent from last year. Therefore, passenger yield rose from 2.18 to 2.20 Baht/passenger-kilometers, increased by 0.92 percent from last year.

Service revenue: In 2017, service revenue increased 437.99 million Baht, or 53.42 percent from last year. The main causes of incremental baggage load revenue and service revenue because the Company had changed the policy of baggage allowance fee by cancellation free of charge on loading a 15-kilogram baggage for NOK promotion passengers. However, those can purchase an additional baggage allowance, effective since Feb 20, 2017 onwards. Additionally, the new concept for booking ticket "Choose Your NOK" has been launched on Nov 9, 2017 to provide add-on products and services to serve all passenger needs. Furthermore, the Company subleased aircrafts to other airlines for improving aircraft utilization and fixed cost management efficiently.

Other income: In 2017, other income decreased 19.52 million Baht, or 2.87 percent from the last year. It resulted mainly from increase in revenue from insurance claim and gain on exchange rate in amount of 196.86 million Baht and 106.09 million Baht respectively, while decrease in received refund of aircraft maintenance and gain on sale and leaseback aircraft in total of 185.13 million Baht and 69.32 million Baht respectively.

Expenses for the period (Separate Financial Statement)

Unit: Million Baht	2017		2018		Change	
	Amount	% to total revenue	Amount	% to total revenue	Amount	%
Cost of passenger and services	15,645.04	94.18	15,482.81	95.05	(162.23)	(1.04)
Selling expenses	111.94	0.67	111.78	0.69	(0.16)	(0.14)
Administrative expenses	821.09	4.94	680.04	4.17	(141.04)	(17.18)
Financial Costs	34.27	0.21	14.37	0.09	(19.90)	(58.06)
Total Expenses	16,612.34	100.00	16,289.00	100.00	(323.33)	(1.95)

Cost & Expenses

The company's operating expense in total was 16,289.00 million Baht decreased from 16,612.34 million Baht, or 1.95 percent from last year. It was caused by increased from Jet fuel price increased by 19.96 percent whereas aircraft maintenance expenses and aircraft operating lease reduced 12.08 percent and 13.23 percent respectively by cost saving according to the company's turnaround plan. Consequently, Cost per Available Seat-Kilometers (CASK) decreased from 2.40 to 2.32 Baht/seat-kilometers or decreased by 3.34 percent. Similarly, Cost per Available Seat-Kilometers exclude Fuel (CASK ex-fuel) decreased from 1.80 to 1.61 Baht/seat-kilometers, or 10.37 percent from last year.

Variable cost: In 2018, variable costs were at 11,623.51 million Baht. The Company has changed the estimation of aircraft maintenance as plan in the amount of Baht 91.18 million based on the estimates of efficiency of maintenance plan, thus costs of aircraft maintenance decreased from last year. However, jet fuel cost continually increased. Fuel cost per ASK (Fuel/ASK) rose from 0.60 to 0.71 Baht/Seat-Kilometers or 17.72 percent from last year. Moreover, aircraft maintenance per ASK diminished 13.04 percent or decreased from 0.46 to 0.40 Baht/Seat-Kilometers.

Fixed costs: In 2018, fixed cost was 4,656.49 million Baht. It was caused by reduction in aircraft operating lease by cost saving of the Company's turnaround plan. Fixed cost per Available Seat-Kilometers (FC/ASK) was at 0.67 Baht/seat-kilometers.

Finance cost: Company's finance cost reduced 58.07 percent from last year to be 14.37 million Baht. It was caused by a reduction of company's finance cost from the commitment fees for aircraft deposit from last year.

Unit: Million Baht	2016		2017		Change	
	Amount	% to total revenue	Amount	% to total revenue	Amount	%
Cost of passenger and services	14,872.99	94.45	15,645.04	94.18	772.05	5.19
Selling expenses	149.35	0.95	111.94	0.67	(37.41)	(25.05)
Administrative expenses	614.37	3.90	821.09	4.94	206.72	33.65
Financial Costs	109.71	0.70	34.27	0.21	(75.44)	(68.76)
Total Expenses	15,746.42	100.00	16,612.34	100.00	865.92	5.50

The company's operating expense in total was 16,612.34 million Baht increased from 15,746.42 million Baht, or 5.50 percent from last year. It was caused by increased from Jet fuel price increased by 48.30 percent whereas aircraft maintenance expenses reduced 20.30 percent by cost saving according to the company's turnaround plan. Consequently, Available Seat Kilometers (ASK) rose by 8.91 percent in 2017, thus Cost per Available Seat-Kilometers (CASK) decreased from 2.51 to 2.40 Baht/seat-kilometers or decreased by 4.38 percent. Similarly, Cost per Available Seat-Kilometers exclude Fuel (CASK ex-fuel) decreased from 2.07 to 1.80 Baht/seat-kilometers, or 13.04 percent from last year.

Variable cost: In 2017, variable costs were at 9,866.97 million Baht, or increased 1.84 percent from last year mainly due to increased jet fuel cost continually. Fuel cost per ASK (Fuel/ASK) rose from 0.44 to 0.60 Baht/Seat-Kilometers or 36.36 percent from last year, thus aircraft maintenance per ASK diminished 26.98 percent or 0.46 Baht/Seat-Kilometers

Fixed costs: In 2017, fixed cost was 5,119.70 million Baht which was increased at 1.55 percent. It was caused by related expenses of cockpit crew and cabin crew. However, Fixed cost per Available Seat-Kilometers (FC/ASK) was 0.75 Baht/seat-kilometers or decreased 6.25 percent from last year.

Finance cost: Company's finance cost reduced 68.76 percent from last year to be 34.27 million Baht. It was due to a reduction of company's finance cost from the commitment fees for aircraft deposit from last year.

Profit for the period (Separate Financial Statement)

Unit: Million Baht	2017		2018		Change	
	Amount	% to total revenue	Amount	% to total revenue	Amount	%
Profit (Loss) before income tax	(1,825.68)	(12.35)	(2,404.84)	(17.32)	(579.17)	31.72
Income tax expense (income)	0.00	0.00	0.00	0.00	0	0.00

Unit: Million Baht	2017		2018		Change	
	Amount	% to total revenue	Amount	% to total revenue	Amount	%
Profit (Loss) for the period	(1,825.68)	(12.35)	(2,404.84)	(17.32)	(579.17)	31.72
Total comprehensive income (loss) for the period	(1,825.68)	(12.35)	(2,404.84)	(17.32)	(579.17)	31.72
Basic Earning Per Share (Baht)	(1.60)		(1.06)		0.54	

From the above mentioned, the total cost of company increased owing to Jet fuel price still increase significantly. Moreover, total revenue decreased mainly from market price competition including the Number of Chinese tourists decrease as a result of the boat accident in Phuket. However, the Company also can reduce aircraft maintenance expenses and aircraft operating leasebycost saving according to the Company's turnaround plan. As a result, the net loss in year 2018 equal to 2,404.84 million Baht or increased by 31.72 percent from last year.

Unit: Million Baht	2016		2017		Change	
	Amount	% to total revenue	Amount	% to total revenue	Amount	%
Profit (Loss) before income tax	(2,626.75)	(20.02)	(1,825.68)	(12.35)	801.07	(30.50)
Income tax expense (income)	0.08	0.00	0.00	0.00	0.08	(100.00)
Profit (Loss) for the period	(2,626.83)	(20.02)	(1,825.68)	(12.35)	801.15	(30.50)
Total comprehensive income (loss) for the period	(2,641.35)	(20.13)	(1,825.68)	(12.35)	815.67	(30.88)
Basic Earning Per Share (Baht)	(4.20)		(1.60)		2.60	

From the above mentioned, the total cost of company increased owing to Jet fuel price increase significantly. However, total revenue also increased from incremental passenger revenue and service revenue at higher amount than fuel cost. As a result, the net loss in year 2017 decreased to be 1,825.68 million Baht from 2,641.35 million Baht or declined by 30.88 percent.

Operating Performance for NokScoot Airlines Co., Ltd.

For 2018 performance of NokScoot Airlines Co., Ltd., total revenue was 5,828.52 million Baht, increasing from 5,580.41 million Baht last year, or increased by 4.45 percent, mainly from the total number of passengers which increased at 7.67 percent from last year, or increased by 1.07 million to 1.16 million passengers because of the total number of flights which increased at 19.81 percent whereas the percent of Cabin factor decreased at 14.90 percent. In this year, NokScoot Airlines Co., Ltd. has one more operating aircraft in fleet compared with the last year, as a result the Company can continually launched new route in Japan and India as well as increased flight frequency in the existing routes, and thus resulting in higher aircraft utilization. Company's operating expenses was in total 7,388.22 million Baht increased from 5,656.82 million Baht or increased by 30.61 percent from the last year. As well, the main increased in operating expenses resulted from variable cost according to increasing in a volume of Available Seat-Kilometers (ASK) and jet fuel price including aircraft lease increase by fleet expansion. The net loss of operating performance in 2018 was 1,528.33 million Baht which increased from the net loss of the last year was 47.59 million Baht.

As for the subsidiary's financial statements, in 2017, NokScoot Airlines Co., Ltd. had total revenue of 5,580.41 million Baht, up from 3,905.37 million Baht in 2016. This is because NokScoot continually launched new route in China and increased flight frequency in the existing routes, and thus resulting in higher aircraft utilization at 11.7 hours per day. Total expenses rose to 5,656.82 million Baht, up from 4,511.74 million in 2016. NokScoot booked lower net loss by 92.22 percent from 612.00 million Baht loss in 2016 to 47.59 million Baht loss in 2017.

Currently, NokScoot Airlines Co., Ltd. operates schedule routes to China, Taiwan, India and Japan with Don Muang international airport being the center of four destinations to China; such as Nanjing, Tianjin, Qingdao and Shenyang, one destination to Taipei, Taiwan, one destination to Delhi, India and two destinations to Japan; such as Tokyo (Narita) and Osaka (Kansai).

NokScoot Airlines acquired one more aircraft (used Boeing 777-200) in Q2/2018 for business expansion purpose. Hence, at the end of 2018, NokScoot had total operating lease of 5 Boeing 777-200s. The company plans to increase frequency flights in the same routes and expand new routes later this year.

- **Cash Flow Statement (Consolidated)**

Cash Flow Statement (Unit: Million Baht)	31 Dec 2016	31 Dec 2017	31 Dec 2018
Net cash provided by (used in) operating activities	(1,383.3)	(2,996.5)	(3,754.4)
Net cash provided by (used in) investing activities	178.3	(8.9)	193.1
Net cash provided by (used in) financing activities	164.6	2,900.8	1,662.6
Effect from foreign exchange rate in cash and cash equivalents	57.9	43.2	148.8
Net increase (decrease) in cash and cash equivalents	(982.5)	(61.4)	(1,750.0)
Cash and cash equivalents, beginning balance	4,213.8	3,231.2	3,169.8
Cash and cash equivalents, ending balance	3,231.2	3,169.8	1,419.9

In 2018, the Company and its subsidiaries had net cash flow used in operating activities totaled 3,754.39 million Baht increased from 2,962.26 million Baht, or 26.74 percent. The significant items which highly affected to the cash flow were deposits at bank pledged as collateral, long-term aircraft deposits and prepayments, provision for aircraft maintenance recognized as expenses (reversal) as well as operating expenses, such as fuel cost, aircraft maintenance expenses and aircraft rental.

Net cash flows used in investing activities was 193.08 million Baht, mainly due to Proceeds from the shares in the subsidiary to non-controlling interests in amount of 235.39 million Baht. However, the Company received cash from interest income from financial institute amount of 20.39 million Baht.

Net cash flows provided by financing activities was 1,662.60 million Baht, mainly from cash received from short-term borrowings.

Moreover, the Company and its subsidiaries gained benefit to the effect from foreign exchange rate in cash and cash equivalents in amount of 148.75 million Baht. Nevertheless, net cash and cash equivalents decreased by 1,749.96 million Baht as of 31 December 2018.

In 2017, the company and its subsidiaries had net cash flow from operating activities totaled negative 2,996.54 million Baht increased from 1,383.30 million Baht, or 116.62 percent. The significant items which highly affected to the cash flow were deposits at bank pledged as collateral, long-term aircraft deposits and prepayments as well as payment to trade and other current payables, etc.

Net cash flows (used) from financing activities was 2,900.83 million Baht, mainly due to the newly-issued ordinary shares to increase of registered capital of the Company in 2017. Nevertheless, net cash and cash equivalents decreased by 61.37 million Baht as of 31 December 2017.

6. RELATED PARTY TRANSACTIONS

The Company has transactions with its related parties which have the same group of shareholders and directors. Those transactions occurred in the normal course of business based on the basis determined by the Company and related persons and related parties.

Significant related persons and related parties as at December 31, 2018 and 2017, consist of:

Company Name	Type of Businesses	Relationship
NokScoot Airlines Co., Ltd.	Air transport services for passengers, parcel and parcel post	Indirect subsidiary
Nok Mangkang Co., Ltd.	Air transport services for passengers, parcel and parcel post	Subsidiary
Nok Holidays Co., Ltd.	Tourism and other relevant businesses	Subsidiary
Pan Am International Flight Training Center (Thailand) Co., Ltd.	Cockpit training services	Held by the company
Air Black Box Asia Pacific Pte Ltd.	Platform for airline reservation systems	Joint venture
Thai Airways International PLC.	Services transportation and logistics	Common shareholders and director
Thai Smile Airways Co., Ltd.	Services transportation and logistics	Same group of shareholders
Donmuang International Airport Hotel Co., Ltd.	Hotel	Same group of shareholders
Thai Flight Training Co., Ltd.	Cockpit training	Same group of shareholders
Dhipaya Insurance PLC. ¹	General insurance	Common director
Siam Premier International Law Office Limited ²	Legal advisory	The Company's director is shareholder and common director
Haad Thip PLC.	Manufacturing and distribution of soft drinks	Spouse of common director

¹ This entity had been considered a related party until August 11, 2017, which was the date when there was no more common director.

² This entity had been considered a related party until January 22, 2018, which was the date when there was no more common director.

Company Name	Type of Businesses	Relationship
Thailand Post Co., Ltd.	Postal service	Common director
CAT Telecom PLC.	Telecommunications business	Common director
Advanced Medical Center Co., Ltd.	Hospital	Common director
Siam Makro PLC.	Wholesale business	Common director
AIRA Securities PLC.	Equities and Derivatives Service	Common shareholders and director
AIRA Advisory Company Limited	Business consultancy services	Common shareholders
Siam City Law Offices DR Limited	General business law services	Common director
Muang Thai Insurance PLC.	Non-Life Insurance	Common director
Millcon Steel PLC.	Manufacturer and a distributor of a complete range of steel products	Common director

Balances with related parties are as follows:

	UNIT: BAHT			
	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
Trade current receivables - related parties				
Thai Airways International PLC.	877,810	1,249,246	877,810	-
Thai Smile Airways Co., Ltd.	1,046,480	298,070	1,046,480	298,070
NokScoot Airlines Co., Ltd.	-	-	12,816,966	12,565,763
Haad Thip Public Co., Ltd.	166,296	52,678	166,296	52,678
Nok Holidays Co., Ltd.	-	-	358,212	248,372
Muang Thai Insurance PLC.	16,115,637	-	16,115,637	-
Siam Makro PLC.	179,581	-	179,581	-
Total	<u>18,385,804</u>	<u>1,599,994</u>	<u>31,560,982</u>	<u>13,164,883</u>
Accrued income - related parties				
NokScoot Airlines Co., Ltd.	-	-	3,922,016	1,957,332
Nok Holidays Co., Ltd.	-	-	6,429,420	3,103,500
Muang Thai Insurance PLC.	8,700,787	-	8,700,787	-
Total	<u>8,700,787</u>	<u>-</u>	<u>19,052,223</u>	<u>5,060,832</u>

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
Advance payments - related parties				
Nok Mangkang Co., Ltd.	-	-	979,483	823,396
Nok Holidays Co., Ltd.	-	-	1,542,568	1,206,137
Total	-	-	2,522,051	2,029,533
Long-term loans to a related party				
Nok Mangkang Co., Ltd.	-	-	1,215,000,000	970,000,000
Other non-current assets				
- Accrued interest income				
related party				
Nok Mangkang Co., Ltd.	-	-	63,398,726	47,816,014
Trade current payables - related parties				
Thai Airways International PLC.	57,562,642	51,161,488	56,281,065	46,882,074
Thai Smile Airways Co., Ltd.	220,840	97,715	220,840	97,715
Donmuang International Airport Hotel Co., Ltd.	107,800	226,622	107,800	226,622
Thai Flight Training Co., Ltd.	-	378,930	-	378,930
NokScoot Airlines Co., Ltd.	-	-	1,676,055	1,169,794
Pan Am International Flight Training Center (Thailand) Co., Ltd.	1,397,266	2,186,746	1,397,266	2,186,746
Total	59,288,548	54,051,501	59,683,026	50,941,881
Other current payables - related parties				
Thai Airways International PLC.	14,883,293	-	14,883,293	-
Siam Premier International Law Office Ltd.	-	2,709,656	-	2,709,656
NokScoot Airlines Co., Ltd.	-	-	36,345	693,855

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
CAT Telecom Public Co., Ltd.	670	306	670	306
AIRA Securities PLC.	133,750	-	133,750	-
Muang Thai Insurance PLC.	4,883,067	-	4,883,067	-
Total	19,900,780	2,709,962	19,937,125	3,403,817
Short-term borrowings from a shareholder				
Major shareholder	800,000,000	-	800,000,000	-
Accrued interest expense				
Major shareholder	6,756,164	-	6,756,164	-

Transactions with related parties for the years ended December 31, are summarized as follows:

	UNIT: BAHT			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Passenger revenues				
Thai Airways International PLC.	4,036,570	47,313	4,036,570	47,313
Thai Smile Airways Co., Ltd.	5,002,995	290,996	5,002,995	290,996
Haad Thip Public Co., Ltd.	638,973	221,500	638,973	221,500
Nok Holidays Co., Ltd.	-	-	106,641	193,481
Siam Makro PLC.	965,865	-	965,865	-
Millcon Steel PLC.	345,636	-	345,636	-
Total	10,990,039	559,809	11,096,680	753,290

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Service revenues				
Thai Airways International PLC.	-	2,000	-	2,000
Thai Smile Airways Co., Ltd.	-	705,850	-	705,850
NokScoot Airlines Co., Ltd.	-	-	45,873,234	41,922,789
Nok Holidays Co., Ltd.	-	-	3,325,920	3,103,500
Dhipaya Insurance PLC.	-	5,837,488	-	5,837,488
Pan Am International Flight Training Center (Thailand) Co., Ltd.	-	40,000	-	40,000
Total	-	6,585,338	49,199,154	51,611,627
Other fee income				
Dhipaya Insurance PLC.	-	199,098,029	-	199,098,029
Muang Thai Insurance PLC.	45,857,390	-	45,857,390	-
	45,857,390	199,098,029	45,857,390	199,098,029
Others income - interest income				
Nok Mangkang Co., Ltd.	-	-	15,582,712	14,791,836

Passenger revenues and service revenues are determined based on cost plus margin as stipulated in the agreements. Other service fee income and interest income are determined based on rate as stipulated in the agreements.

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Costs of passengers and services				
Thai Airways International PLC.	180,430,322	143,100,839	55,353,746	56,625,509
Thai Smile Airways Co., Ltd.	410,296	144,883	410,296	144,883
Donmuang International				

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Airport Hotel Co., Ltd.	1,766,344	5,421,527	1,766,344	5,421,527
Thai Flight Training Co., Ltd.	3,075,958	3,765,405	3,075,958	3,765,405
Dhipaya Insurance PLC.	-	53,580,707	-	53,580,707
Pan Am International Flight Training Center (Thailand) Co., Ltd.	18,473,848	19,629,352	18,473,848	19,629,352
Haad Thip Public Co., Ltd.	17,290	13,832	17,290	13,832
Total	204,174,058	225,656,545	79,097,482	139,181,215
Administrative expenses				
Thailand Post Co., Ltd.	625,315	579,245	625,315	579,245
CAT Telecom Public Co., Ltd.	6,159	10,847	6,159	10,847
AIRA Securities PLC.	500,000	-	500,000	-
Advanced Medical Center Co., Ltd.	15,180	-	15,180	-
AIRA Advisory Company Limited	1,500,000	-	1,500,000	-
Total	2,646,654	590,092	2,646,654	590,092
Legal fee				
Siam Premier International Law Office Ltd.	-	21,444,996	-	21,444,996
Siam City Law Offices DR Limited	642,990	-	642,990	-
	642,990	21,444,996	642,990	21,444,996
Finance Cost				
Interest expenses - Major shareholder	10,191,781	-	10,191,781	-

Costs of passenger and services is determined on normal price charged to general customers.

Directors and management's benefits for the years ended December 31, are as follows:

	Consolidated		UNIT: BAHT	
	financial statements		Separate	
	2018	2017	2018	2017
Short-term employee benefits	18,684,293	32,602,832	24,556,834	31,532,000
Post-employment benefits	7,484,290	6,987,188	5,722,640	5,271,750
Total	26,168,583	39,590,020	30,279,474	36,803,750