

Thai Airways eyes to complete restructuring by 2024

A Monitor Report

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Bangkok : Thai Airways expects to complete its corporate restructuring in two years by 2024 as the airline's performance is gradually improving while global travel resumes.

Restructuring Committee Chief Piyasvasti Amranand said on July 1 that the cabin factor, a measure of how well an airline does in filling seats, reached 70 per cent by June and was near 90 per cent on European routes.

Thai Airways entered bankruptcy in 2021 to restructure THB 400 billion (USD 11.25 billion) of debt and previously sought THB 50 billion of loans for liquidity.

Thai state agencies will own about 40 per cent of the airline after restructuring, down from current levels of 67 per cent.

The overhaul included rehiring Piyasvasti, who was its president in a previous effort to steer the flag carrier out of financial trouble a decade ago.

Thai Airways carried about 19 million passengers before the pandemic and is targeting 9.18 million in 2023, 11.8 million in 2024 and 12.44 million in 2025.

It served 4.48 million travellers in the first six months of 2022.

Piyasvasti said the airline had reviewed its borrowing needs and would take long-term loans of THB 12.5 billion, which could be converted to equity. He added that short-term loans of the same value without the conversion option were also on the table.

Furthermore, the Airways plans to issue new shares and offer creditors debt-to-

equity options.

Additionally, Piyasvasti said the airline has ample liquidity of around THB 14 billion and has raised about THB 9.2 billion from asset sales, including a Bangkok training center, adding that 12 planes would be sold.