

Thai aviation sector rebounds with record airline, airport profits

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Dhaka: The aviation sector of Thailand in 2023 witnessed a turnaround from losses to profits. Airline profits soared to THB 31.4 billion and escalated further to THB 40 billion if combined with the operations of Airports of Thailand (AOT). This represents a significant improvement from the industry's overall downturn in 2022 when losses amounted to THB 21 billion, including AOT operations, as per reports.

Thai Airways emerged as the best performer, earning record-breaking profits of THB 28 billion. This shattered the record for the highest profit in history and surpassed the pre-Covid period in 2019 when Thai Airways incurred losses of THB 12 billion. The airline raked in revenue amounting to THB 161.07 billion, eclipsing its 2022 figures by over THB 56 billion. However, it still fell short of the 2019 revenue of THB 184.24 billion.

Piyasvasti Amranand, Chair of Thai Airways' recovery plan management, outlined the airline's strategic plans to steer shareholders' equity into positive territory by the end of 2024. Plans are underway for additional stock issuance to bolster capital, with expectations to conclude the initial phase of the plan by 2025 and reinstate trading of THAI shares on the stock market.

Bangkok Airways, meanwhile, reported profits exceeding THB 3.1 billion from its 2023 operations. Puthipong Prasartthong-Osoth, CEO of Bangkok Airways, attributed this growth to the ongoing recovery in the aviation industry, bolstered by factors such as China's open-country policy, extended holidays and various festivals.

Similarly, Thai AirAsia marked a return to profitability in 2023, notably during the final quarter, with profits exceeding THB 2.81 billion. This turnaround led to an overall shift from losses to profits, totalling THB 465 million for the year.

Santisuk Khlongchaiya, CEO of Asia Aviation and Thai AirAsia Co, expressed optimism for 2024, foreseeing a prosperous year for tourism, especially in the international market. Factors contributing to this positive outlook include the resurgence of the Chinese market and the introduction of new flight routes by Thai AirAsia, including routes from Don Mueang to Xi'an in China, Seoul in South Korea and, most recently, Okinawa in Japan, added reports.

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