

Asia Aviation Public Company Limited
and its subsidiary
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2020



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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Asia Aviation Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Asia Aviation Public Company Limited and its subsidiary as at 30 September 2020, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Asia Aviation Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Emphasis of matters

I draw the following attentions:

- a) As described in Note 1.2 to the interim consolidated financial statements, the Group has had operating losses since 2019 and as at 30 September 2020, the Group's consolidated total current liabilities exceeded its consolidated total current assets by significant amount. Additionally, the COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. The situation also affects the Group's aviation business in which the Group has suspended flight operations or limited flights until the COVID-19 situation improves. This situation has significantly affected the Group's financial position, operating results, and cash flows at present, and is expected to do so in the future. However, the impact cannot be reasonably estimated at this stage. In this regard, the Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

Currently, the management is the process of implementing various measures to seek additional sources of funds, modify business plans, reduce costs and postpone repayment to manage the Group's liquidity and its cash flows, and the management believes that the Group will be able to continue as a going concern. The interim financial information has been prepared under the going concern basis. However, the success of partial financing plans and business plans depends on external factors and COVID-19 situation. This indicates that there are material uncertainties which may raise substantial doubt about the Group's ability to continue as a going concern.

- b) As described in Note 1.5 to the interim consolidated financial statements, during the current period, the Group changed its accounting policies due to the adoption of financial reporting standards related to financial instruments and TFRS 16 Leases which the Group recognised the cumulative effect from the adoption of new financial reporting standards as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.