

REPORT: AIRLINES: SOUTHEAST ASIA

What you need to know

February 2023

This report presents a roundup of what's been happening to airlines in Southeast Asia over the last month.

Major airlines

Garuda Indonesia

Restructuring challenged

Two special purpose vehicles linked to U.S. aircraft lessor TrueAero are pursuing legal action against Garuda, filing lawsuits in an Indonesian court seeking to annul the airline's restructuring deal.

Philippine Airlines

Chinese services resume

On [February 14](#), Philippine Airlines (PAL) resumed [thrice-weekly](#) flights from Manila to Shanghai. [Twice-weekly](#) services to Beijing followed on February 21, with frequency doubling from [March 26](#). At the end of March, PAL also plans to restart [twice-weekly](#) flights from Manila to Macau. By this point, the airline should also be operating [daily](#) services to Quanzhou and extra services to Guangzhou and Xiamen.

Two domestic routes reinstated from Clark

From the start of [April](#), PAL will resume domestic services from Clark to two destinations. It will serve Boracay with [three weekly](#) flights and Busuang with [four weekly](#) flights.

Singapore Airlines

Q4 revenues and profits surge

Singapore Airlines Group (SIA Group) more than [doubled](#) fourth quarter 2022 revenue to S\$4.85 billion (US\$3.5 billion). Revenues from passenger operations jumped by [353%](#) year-over-year to S\$3.77 billion. The company posted a S\$755 million (\$544 million) operating profit, significantly better than 2021's figure of S\$76 million.

Sharp rise in passengers in January

SIA Group carried 2.62 million passengers in January, up sharply from the 535,200 carried in the same month in 2021. It increased capacity by 73%. A 276% jump in revenue passenger kilometer traffic helped lift the load factor by 46.9 points to [87%](#).

Commercial collaboration with Vietnam Airlines to grow

Singapore Airlines (SIA) and Vietnam Airlines have signed a memorandum of understanding to strengthen commercial collaboration between the two airlines. They will initially explore code sharing opportunities to improve connectivity between Singapore and Vietnam. The relationship could then be expanded to include other destinations.

Vancouver service ending in October

As part of an overall review of its network and strategy to better match capacity and demand, Singapore Airlines will suspend its existing service to Vancouver in **October**. Low-cost subsidiary Scoot will also suspend its services to Gold Coast, Australia, in **July**.

Thai Airways

Airline slips to loss in 2022

Thai Airways and its subsidiaries boosted operating revenue by **342%** in 2022 to Bt105 billion. However, the company slumped from 2021's Bt52.3 billion pre-tax profit to record a Bt1.69 billion (US\$48.6 million) loss in 2022. Mainline carrier Thai Airways generated Bt1.25 billion in profits, but this was down from 2021's Bt55.5 billion, despite a **341%** jump in revenue to Bt97.5 billion.

Extra China frequencies

From **March 1**, Thai Airways will resume **thrice-weekly** service from Bangkok to Beijing and **four weekly** flights to Shanghai. It will also operate **three** weekly flights to Guangzhou and **two** per week to both Chengdu and Kunming.

Low-cost carriers

AirAsia

AirAsia Philippines resumes Chinese services

AirAsia Philippines resumed a **thrice-weekly** service from Manila to Guangzhou on **February 15**. On **March 2**, it will also restart **thrice-weekly** flights to Macau and a **four-times** weekly service to Shenzhen. From March 2, AirAsia Philippines will also start a **four times weekly** service from Cebu to Taipei, Taiwan.

Thai AirAsia adds new domestic route

On **March 1**, Thai AirAsia will launch a new domestic service from Bangkok's Don Mueang airport to Mae Sot, a rapidly growing trade city. It will offer **three weekly** flights.

AirAsia X

Profits return in Q4

AirAsia X reported a fourth quarter 2022 net profit of almost MYR150 million (US\$33.6 million). This is much-improved on the MYR88.8 million net loss recorded in the same quarter in 2019.

Busan service restarts

On **February 1**, AirAsia X restarted flights from Kuala Lumpur to Busan in South Korea. It's offering **three weekly** flights on the route.

Cebu Pacific

Clark operation expanding

Philippine low-cost carrier Cebu Pacific is expanding its Clark operation with extra frequencies on both domestic and international services. Flights to Bacolod, General Santos and Iloilo will rise to **thrice-weekly** by **April**. Weekly flights to Caticlan and Davao will increase to **14** and **11**, respectively.

Weekly frequency to Bangkok and Singapore will rise to **seven** flights. Hong Kong will be served **14** times weekly by **April**.

Nok Air

India services resume

Thai low-cost carrier Nok Air has returned to the Indian market with the start of [thrice-weekly](#) services from Bangkok Don Mueang International airport to Hyderabad.

Scoot

Chinese services to steadily resume

Scoot will steadily resume flights from Singapore to China. It is adding frequencies on its existing services to Fuzhou, Guangzhou, Hangzhou, Nanjing, Qingdao, Tianjin and Zhengzhou. During [April](#), Scoot will resume flights to Haikou, Ningbo and Xi'an, with services to Nanning and Shenyang following in [May](#).

Super Air Jet

Balikpapan to get three new routes

Indonesian low-cost carrier Super Air Jet is to launch flights from three destinations to Balikpapan in East Kalimantan. It will offer domestic services from Bandung in West Java, Batam in Riau Islands and Manado in North Sulawesi. Flights from Batam will have a stopover in Bandung.

VietJet

Losses return despite surge in annual revenue

Annual consolidated revenue at VietJet Aviation and its subsidiaries increased by [206%](#) in 2022 to D39.3 trillion. However, the group slumped to a D2.17 trillion (US\$92.5 million) after-tax loss, having delivered a D122 billion profit in 2021.

New Australian services announced

VietJet will start a new [thrice-weekly](#) service from Ho Chi Minh City to Melbourne on [April 8](#). It will be followed by services to Sydney at the same frequency from [April 12](#).

Other airlines

Bangkok Airways

Losses reduced in 2022

Bangkok Airways posted a [125%](#) rise in annual revenue in 2022 to Bt12.7 billion, as passenger revenue for its airline business soared by 610%. The company managed to reduce its operating loss from Bt2.53 billion in 2021 to Bt889 million (US\$25.6 million).

Two routes facing suspension

From [March 1](#), Bangkok Airways will suspend [double daily](#) services on the Bangkok Suvarnabhumi-Hat Yai route. The Bangkok-Da Nang route, which the airline flies [28 times](#) per week, will also be suspended from [May 1](#). Both services are suspended until further notice.

The information presented in this report represents the latest view as at February 28, 2023. We have carefully researched and checked the information contained. However, we do not guarantee or warrant the correctness, completeness or topicality of this article and do not accept any liability for any damage or loss as a result of the use of the information contained within this article.

If you have any questions or comments regarding this report, please email mike.eggleson@bcdtravel.co.uk to share your thoughts.