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**The Launch of Thailand Future Fund**  
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**The role of SEPO**

- State Enterprise Policy Office (SEPO) is to manage state assets and enterprises (SOEs). Assigned as the PPP unit (public private partnership). Acts as owner and shareholder of SOE. Works closely with SOE. Accounting more than 50% of public investment to help boost the economy. 60 SOEs in 9 different sectors, 14tn baht total assets. 3rd highest source of state payment. At policy level, secretariat of SOE policy commission in the super board of the Prime Minister. Last year, there was a SOE master plan 2017-21 and yearly plans to be in line with strategic plans. National PPP unit, facilitate PPP in a standard and efficient way. First PPP strategic plan 2017-21 comprises of 65 PPP projects valued at 1.5 trillion baht. PPP fast track shortens time 25 months to 9 months. MRT 3 lines have been launched. Ongoing projects expected to be approved soon, such as MRT Orange Line, Nakhon Pathom- Cha Am Motorway. Currently, the Ministry of Finance owns 109 enterprises. Includes listed and non-listed assets.
- Currently fund size is \$10.5 million USD. SEPO is a key party in creating Thailand Future Fund to finance infrastructure projects that government seeks to develop in the future.

**Role of Thailand Future Fund (TFF) in infrastructure development**

- Thailand's competitive ranking has risen 32 places. Compared to other developed countries in Asia still cannot match, especially in transportation sector. We need to improve this quality in terms of sufficiency and readiness to reduce logistic costs and connect with other countries as the hub of ASEAN. On March 27 2015, 8-year Transport Development Plan consisted of rail, road, mass transit, airport and seaport. First concrete plan. Subsequent to master plan, there's annual plans so projects can be monitored closely.
- Infrastructure project will be financed mainly by government borrowing, annual budget and SOE internal capital. PPP is approximately 25% of all projects, but not suitable for all opportunities. Therefore, Thailand Future Fund is launched for a new alternative source of money.
- TFF not only accelerate infrastructure development, but also promotes Thai capital market and provides investment opportunities with stable cash flows. TFF will securitize future cash flow generated from the assets with a revenue transfer agreement. This would help excel infrastructure development. TFF's principle investment is state infrastructure. TFF regulated by the SEC and also subject to additional requirements. The initial assets in the TFF are the two expressways, 45% of their net toll revenue will be transferred to the fund. Motorways 7 and 9, can be the next assets in the TFF.
- Chalong Rat and Burapa Viti Expressway  
TFF will invest in raising funds for future cash flows in EXAT-run projects (Chalong Rat and Burapa Viti), will get back first revenue. Then it will invest in ports, airports, telecommunications and so on. To develop new greenfield projects.
- EXAT will continue to run the business after TFF IPO. Growth opportunities for both expressways.  
2nd stage: Rama3-Dao Khanong Expressway, and 3rd stage, East-west corridor sector N2 and MRT Brown Line  
Benefits of TFF  
1. Provides fund raising alternative to the government, leading to the acceleration of Thai government investment in infrastructure projects, which can be injected into TFF in the future

and enhancing the country's competitiveness

2. Less dependent on government's annual budget and public debt
3. Invest in high performance and stable income infrastructure projects
4. Promotes the development of Thailand's capital markets

Benefits for the First Fund Raising by EXAT's Assets

1. Long Term duration – 30 years, long-term stable revenue and megatrend
2. Low volatility – not bear operating costs or capital expenditure. A share of expressways' toll revenue
3. Incentivization – increase in toll revenue will be mutually beneficial for both parties. Built-in incentive schemes and retains a larger portion of the toll.

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