

Ref. 29/01/36

19 June 2020

Subject: Notification on the Entering into the Public-Private Partnership Agreement for the U-Tapao International Airport and Eastern Aviation City Development Project

To: The President  
The Stock Exchange of Thailand

The Extraordinary Board of Directors' meeting of Bangkok Airways Public Company Limited, ("Company" or "BA") No. 1/2019 held on March 19, 2019 and the Board of Directors Meeting No. 4/2020 on May 28, 2020 resolved that the Company, as a member of the BBS joint venture (consisting of Bangkok Airways Public Company Limited ("BA"), BTS Group Holdings Public Company Limited ("BTS") and Sino-Thai Engineering and Construction Public Company Limited ("STEC")), to submit a Public-Private Partnership proposal and to enter into a Public-Private Partnership Agreement ("Public-Private Partnership Agreement") for U-Tapao Airport and Eastern Aviation City Development Project ("Project") with The Eastern Economic Corridor Office of Thailand (the "EEC Office") by establishing a new company named U-Tapao International Aviation Company Limited ("UTA") under the mutual agreement of the BBS Joint Venture Agreement, which the Company will hold 45% stocks in U-Tapao International Aviation Company Limited, and to sign a Public-Private Partnership Agreement with The Eastern Economic Corridor Office on June 19, 2020.

The common shares acquisition of the Company in U-Tapao International Aviation Company Limited, reached the criteria of the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposal of Assets B.E. 2547 ; therefore the company would like to inform the information of the said transaction as follows:

### 1. Transaction Date

The company purchased shares in U-Tapao International Aviation Company Limited on February 13, 2020 and U-Tapao International Aviation Company Limited enter into a Public-Private Partnership Agreement with The Eastern Economic Corridor Office of Thailand on June 19, 2020.

### 2. Involved parties and relationships with the Company

The involved parties in the new company (U-Tapao International Aviation Company Limited) as details below;

Share purchaser: Bangkok Airways Public Company Limited  
Issuer Company: U-Tapao International Aviation Company Limited

Parties involved in the Public-Private Partnership Agreement

Governmental party: The Eastern Economic Corridor Office of Thailand

Private party: U-Tapao International Aviation Company Limited

Relationship with the Company: BTS, STEC and the EEC Office are not connected persons of the Company, and this transaction is not a connected transaction pursuant to the Notification of Board of Governors of the Stock Exchange of Thailand No. ThorJor 21/2551.

### 3. General characteristics of the transaction

Asset purchased: Ordinary shares of U-Tapao International Aviation Company Limited.

Percentage of shares purchased: 20 percent of U-Tapao International Aviation Company Limited paid up capital.

Investment value: 4,050 million baht (par value) calculated from the following information.

Detail	Paid up capital as at the signing date of UTA's Public-Private Partnership Agreement (Million baht)	Paid up capital as at the Commercial Operation Date of the first phase of the project. (Million baht)
U-Tapao International Aviation Company Limited ("UTA")	4,500	9,000
Percentage of shares in U-Tapao International Aviation Company Limited	45 percent	45 percent
The Company's portion of investment in U-Tapao International Aviation Company Limited	2,025	4,050

The completion date of the share purchased: June 16, 2020

#### The Transaction sizes

The Company holds 45% of paid up capital in U-Tapao International Aviation Company in amounting to 4,050 million baht. This transaction is classified as an acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended), and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition an Disposition of Assets B.E. 2547 (2004), which is equivalent to

7.06%, in size of the highest calculation of the transaction size based on the total value of consideration paid basis relative to the total asset value of the Company's consolidated financial statement on March 31, 2020 (57,355.96 million Baht). There are no new shares issued to compensate for the acquisition of assets and the Company had asset acquisition transaction, which is equivalent to 0.40%, in size of the transaction in the past six months.

After combining the transaction value with other asset acquisition transaction in the past six months including this transaction on the total value of consideration paid basis is equivalent to 7.46 percent, such a total transaction size is less than 15 percent of the total asset value of the Company and is not required to report the acquisition of assets and/or arrange for shareholders' approval under the aforementioned Notification.

However, the Company has a duty to disclose the said transaction to the Stock Exchange of Thailand according to the regulations of the Stock Exchange of Thailand RE: Rules, conditions and procedures regarding disclosure of information and any operations of listed companies B.E. 2560.

#### 4. Details of the assets to be acquired

Type of Asset: Common shares of U-Tapao International Aviation Company Limited.

Number of Share: 40.5 million shares, equivalent to 45 percent of the paid-up capital.

Share value: 100 Baht per share (par value), total value is 4,050 Million Baht.

U-Tapao International Aviation Company Limited will be a Public-Private Partnership in the U-Tapao Airport and Eastern Aviation City Development Project, with the project details as follows

Project name	U-Tapao Airport and Eastern Aviation City Development Project
Project's location	The project is located at Ban Chang District and Sattahip District, Rayong Province with the approximately area at 6,500 rai.
Type of investment	Public-Private Partnership - PPP Net Cost
Governmental party	The Eastern Economic Corridor Office of Thailand
Private Party	U-Tapao International Aviation Company Limited
The date that the Cabinet has approved the Project	June 2, 2020
Project development objectives	To become the 3 <sup>rd</sup> international airport in Thailand and business continuity under the Eastern Special Development Zone Act, 2018, to support the expansion of the Eastern Special Economic Zone (EEC) and connect the passenger transportation with Suvarnabhumi Airport and Don Mueang Airport, and being an important aviation hub in the region.
Scope of work of Private	Scope of work of U-Tapao International Aviation Company Limited as a private partner can be summarized as follows;

	<p>(A) The main work of U-Tapao International Airport</p> <ol style="list-style-type: none"> <li>1) Project Operation <ol style="list-style-type: none"> <li>A) New passenger terminal</li> <li>B) Ground transportation center</li> <li>C) The taxiway that connects the first runway and the second runway</li> <li>D) Apron Taxiway for passengers and cargo transportation</li> <li>E) Air Freight and Logistics Center</li> <li>F) Public utilities prepared by contractual party</li> <li>G) Ground services</li> </ol> </li> <li>2) Project Development <ol style="list-style-type: none"> <li>A) Immigration Department Office</li> <li>B) Customs Department Office</li> <li>C) Office of the relevant government agencies and others that are necessary for the project</li> </ol> </li> <li>3) Other relating to services and maintenance <ol style="list-style-type: none"> <li>A) The second runway and the taxiway that related with the second runway</li> <li>B) Apron Taxiway for aircraft maintenance center</li> </ol> </li> </ol> <p>(B) Other supporting work for U-Tapao International Airport</p> <ol style="list-style-type: none"> <li>1) Free trade area</li> <li>2) Commercial area</li> </ol> <p>(C) Other related work as specified in the Agreement.</p>
Project duration	<p>50 years, divided into several phases:</p> <ul style="list-style-type: none"> <li>• The first phase (Phase 1) will be divided into 2 stages as follows <p><u>Stage 1</u>: Project development of U-Tapao International Airport will be not over 3 years.</p> <p><u>Stage 2</u>: The operation and maintenance of the U-Tapao International Airport will be not over 47 years.</p> </li> <li>• Project implementation in the next phase</li> </ul>

The shareholding structure of U-Tapao International Aviation Company Limited.

List of shareholders in U-Tapao International Aviation Company Limited are consisting of the following;

1. Bangkok Airways Public Company Limited holds 45 percent
2. BTS Group Holdings Public Company Limited holds 35 percent
3. Sino- Thai Engineering and Construction Public Company Limited holds 20 percent

The Board of Directors of U-Tapao International Aviation Company Limited

1. Mr. Prasert Prasarttong-Osoth
2. Mr. Puttipong Prasarttong-Osoth
3. Mr. Pradit Theekakul
4. Mr. Anawat Leelawatwattana
5. Mr. Keeree Kanjanapas
6. Mr. Surapong Laoha-Unya
7. Mr. Kong Chi Keung
8. Mr. Pakpoom Srichamni
9. Mrs. Jaikaew Tejapijaya

#### **5. Total value of consideration**

The investment value of the Company is 45 percent of shares in U-Tapao International Aviation Company Limited, with a total investment value of 4,050 million baht.

#### **6. Basis used to determine the value of consideration**

The Company uses par value for the establishment of U-Tapao International Aviation Company Limited as a basis for determining the value of consideration.

#### **7. Expected Benefits for the Company**

The Company will invest in U-Tapao International Aviation Company Limited, as a long-term investment, which will increase the revenue for the Company apart from the income from the main business of the Company. The Company expects to receive benefits in form of the dividend from U-Tapao International Aviation Company Limited throughout the 50 years period.

#### **8. Other Conditions that effect to the Shareholders**

None

#### **9. Sources of Fund**

The Company has various sources of fund such as fund remaining for utilization of the proceeds derived from the capital increase, working capital, cash from the operating result that would normally be received from the Company's business , loan from financial institutions, etc. The Company will consider the appropriate sources of fund.

#### **10. Mutual Benefits or related party transactions**

The Company has no mutual benefits or related party transactions between listed companies and its directors, management and shareholders holding, directly or indirectly, 10% or more of shares.

#### **11. Opinion of the Board of Directors Regarding to the Transaction**

The Extraordinary Board of Directors Meeting No. 1/2019 convened on March 19, 2019 and the Board of Directors Meeting No. 4/2020 convened on May 28, 2020 approved, without objection, that the asset acquisition in U-Tapao International Aviation Company Limited, and the Public-Private Partnership Agreement signing for the development of U-Tapao Airport and Eastern Aviation City project of U-Tapao International Aviation Company Limited is appropriate and beneficial to the Company and shareholders. The said transaction will support the Company to have an income from dividends that will be received from U-Tapao International Aviation Company Limited throughout the 50 years period.

#### **12. The opinions of the audit committee and/or directors of the company that are different from the opinions of the board of directors**

None

The Company certifies that the information in this report form is true and complete in all respects.

Please be informed accordingly.

Sincerely yours,



(Ms. Tresarun Sitakalin)

Company Secretary

Bangkok Airways Public Company Limited