



-Translation-

No. 4165

22 March 2023

Subject : Information of Transaction Relating to the Acquisition of Assets of Don Mueang International Airport Development Project Phase 3

To : President,  
The Stock Exchange of Thailand

In the Airports of Thailand Public Company Limited (AOT) Board of Directors Meeting No. 5/2023 held on 22 March 2023, the Meeting resolved to acknowledge the Cabinet Resolution, dated 29 November 2022, approving the Don Mueang International Airport (DMK) Development Project Phase 3 to increase the passenger handling capacity from 30 to 40 million passengers per year with an investment amount of 36,829.50 million Baht.

Therefore, the DMK Development Project Phase 3, is an investment in assets, which is considered as a transaction relating to the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. Thor Jor. 20/2008: Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets. As the size of the transaction is categorized as type 2 with the value of transaction equal to or higher than 15% but lower than 50%, the AOT Board of Directors Meeting then passed the resolution to approve that the information of the transaction relating to the acquisition of assets be disclosed to the Stock Exchange of Thailand (SET) and circulated to the shareholders for acknowledgement.

AOT would like to report the information of the aforementioned acquisition of assets with the following details:

### **1. Transaction Date**

The AOT Board of Directors Meeting No. 5/2023 held on 22 March 2023, resolved to acknowledge the Cabinet Resolution, dated 29 November 2022, approving the DMK Development Project Phase 3.

### **2. Related Parties and Nature of Interests**

The DMK Development Project Phase 3 is in the process of procuring a contractor who is a third party and has no relationship according to the definition of the related parties with AOT.

### **3. Nature of Transaction**

The DMK Development Project Phase 3 is an investment for the acquisition of assets according to the Notification of the Capital Market Supervisory Board Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets. The project value is 36,829.50 million Baht, representing 20.10% of total assets as of 31 December 2022 (valued at 183,229.54 million Baht). As the size of the transaction is categorized as type 2 with the value of transaction equal to or higher than 15% but lower than 50%, the information must be disclosed in accordance with the Notification of the Securities and Exchange Commission of Thailand on the Disclosure of Information and Practices of Listed Companies in the Acquisition or Disposition of Assets B.E.2547 (2004).

#### 4. Project Details

The purpose of the DMK Development Project Phase 3 is to restore the original capacity and develop the area of DMK to its full capacity to accommodate approximately 40 million passengers per year. The aim is to become a domestic aviation hub as well as to improve sustainable service quality of DMK to accommodate air traffic and passenger volumes. This includes future aviation activities which are in alignment with the National Strategy (2018 – 2037) on Competitiveness Enhancement, the 12<sup>th</sup> National Economic and Social Development Plan (2017-2022), strategies for the development of infrastructure and logistics systems, and the Eastern Economic Corridor Project. The DMK Development Project Phase 3 consists of 6 work groups which can be summarized as follows:

Work Group 1: Southern area development works consist of:

- (1) Improvement of DMK internal road system (south side)
- (2) Construction of the Passenger Terminal 3 with Concourse No. 6
- (3) Renovation of a 7-storey car park building to be a passenger drop-off platform
- (4) Renovation of Cargo Warehouses No. 1 and No. 2
- (5) Construction of maintenance buildings and garbage collection area
- (6) Construction of drainage system
- (7) Construction of fire fighting and rescue building in the south side

Work Group 2: Northern area development works consist of:

- (1) Improvement of DMK internal road system (north side)
- (2) Improvement of aircraft parking stand in the north side
- (3) Construction of concourse expansion in the north side
- (4) Construction of employee car park building
- (5) Construction of VVIP building
- (6) Construction of DMK office building
- (7) Construction of airline office building
- (8) Renovation of central building
- (9) Construction of corridor walkway between AOT Head Office Building (Head Office) and DMK

Work Group 3: Construction works in the airside area consist of:

- (1) Construction of Rapid Exit Taxiway around Runway 21L/03R and Exit Taxiway connecting to Taxiway B and C.
- (2) Renovation on the southern area to support activities related to aviation and aircraft parking construction and the General Aviation (GA) Terminal.
- (3) Construction of northern apron with a connecting taxiway to improve the apron inside DMK and improve the northern area into an airside area.

Work Group 4: Renovation of Passenger Terminal Building 1, North Concourse and Concourses 2 – 4

Work Group 5: Development Project Support Works

- (1) Construction and improvement of the water supply system and installation of additional water pumps to adequately supply water to various buildings in DMK.
- (2) Installation of a groundwater pump and groundwater production system to increase water production capacity sufficiently for servicing 40 million passengers per year.

(3) Construction of the 3<sup>rd</sup> electrical substation to receive electricity from the Metropolitan Electricity Authority 115/69 kV system, converting the voltage down to use as a 24/12 kV system, together with the installation of transmission lines to serve the northern buildings group and installation of power transmission lines for servicing buildings constructed under the DMK Development Project Phase 3.

Work Group 6: Environmental Works

A contract work to monitor the results of the implementation of preventive and corrective measures for environmental impacts and the environmental quality during the construction of the DMK Development Project Phase 3.

### 5. Total Value of Consideration

The construction costs of the DMK Development Project Phase 3 will be paid in cash in full amount according to the construction period of the Project during the fiscal years 2023 - 2029 (as approved by the Cabinet). The disbursement plan of construction costs is as follows:

Unit: million Baht

No.	Description of Work	Investment Limit (Million Baht)	Fiscal year						
			2023	2024	2025	2026	2027	2028	2029
1	Work Group 1: Southern Area Development Works	15,076.996	90.992	2,248.461	4,818.492	4,197.399	3,712.931	8.721	-
2	Work Group 2: Northern Area Development Works	3,811.253	-	-	-	425.040	749.121	1,458.887	1,178.205
3	Work Group 3: Construction Works in the Airside Area	3,655.479	-	1,179.029	1,367.584	1,103.833	5.033	-	-
4	Work Group 4: Renovation of Passenger Terminal Building 1, North Concourse	6,801.269	-	-	-	-	985.373	3,662.961	2,152.935
5	Work Group 5: Development Project Support Works	1,137.495	-	294.118	360.737	360.737	121.903	-	-
6	Work Group 6: Environmental Works	25.493	3.314	3.314	3.314	3.314	3.314	3.314	5.609
	<b>Total investment budget for work groups No. 1 - 6</b>	<b>30,507.985</b>	<b>94.306</b>	<b>3,724.922</b>	<b>6,550.127</b>	<b>6,090.323</b>	<b>5,577.675</b>	<b>5,133.883</b>	<b>3,336.749</b>
	<b>10% change in price reserve</b>	<b>3,050.799</b>	<b>9.431</b>	<b>372.492</b>	<b>655.013</b>	<b>609.032</b>	<b>557.768</b>	<b>513.388</b>	<b>333.675</b>
	<b>Total investment cost (VAT excluded)</b>	<b>33,558.784</b>	<b>103.737</b>	<b>4,097.414</b>	<b>7,205.140</b>	<b>6,699.355</b>	<b>6,135.443</b>	<b>5,647.271</b>	<b>3,670.424</b>
	<b>VAT 7%</b>	<b>2,349.115</b>	<b>7.262</b>	<b>286.819</b>	<b>504.360</b>	<b>468.955</b>	<b>429.481</b>	<b>395.309</b>	<b>256.929</b>
	<b>Total project investment cost</b>	<b>35,907.899</b>	<b>110.999</b>	<b>4,384.233</b>	<b>7,709.500</b>	<b>7,168.310</b>	<b>6,564.924</b>	<b>6,042.580</b>	<b>3,927.353</b>
	Interest during construction	921.600		129.000	342.600	450.000			
	<b>Total project investment cost</b>	<b>36,829.499</b>	<b>110.999</b>	<b>4,513.233</b>	<b>8,052.100</b>	<b>7,618.310</b>	<b>6,564.924</b>	<b>6,042.580</b>	<b>3,927.353</b>

**Remark:** The disbursement plan follows the DMK Development Project Phase 3 as approved by the Cabinet on 29 November 2022.

At present, the design process is underway. AOT will further adjust the annual disbursement plan to be in line with the operation.

### 6. Expected Outcome

The implementation of the DMK Development Project Phase 3 is to restore the original capacity of DMK and maintain the level of service to accommodate more domestic and international passengers per year, 4 million and 6 million passengers respectively. Upon completion of the project, the passenger handling capacity of DMK will increase from 30 to 40 million passengers per year. There will be 12 additional aircraft parking stands and 11 additional aerobridges, and an improved internal road system. It can also increase national income as a whole such as income from tourism, income from service sector related to tourism, income from manufacturing industry, an increase in the employment rate, and an increase in household spending. Greater convenience is also provided for DMK's users.

## 7. Sources of Fund for Compensation Payment by AOT

AOT will use AOT's operating cash flow to implement the DMK Development Project Phase 3.

## 8. Transaction Size

The calculation of transaction size is based on asset acquisition criteria. AOT has considered the 4 calculation methods of the transaction size following the criteria for calculating the transaction value which is specified in the Notification of the Securities and Exchange Commission of Thailand on the Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E.2547 (2004). The criterion that gives the highest value is the total value of consideration method. The calculation details are as follows:

Calculation Criteria	Calculation (Million Baht)	Transaction Size (%)
Total Value of Consideration Method	$= \frac{\text{Total Value of Minimum Consideration} \times 100}{\text{Total Assets of Listed Company}}$ $= \frac{\text{Approximately } 36,829.50^{(1)} \times 100}{183,229^{(2)}}$	20.10

### Remarks:

(1) The investment value of the DMK Development Project Phase 3 has a budget framework of 36,829.50 million Baht (including 10% change in price reserve and 7% VAT), which was approved by the Cabinet Resolution on 29 November 2022.

(2) The total asset value is approximately 183,229 million Baht according to the latest financial statements as of 31 December 2022, which have been reviewed by a certified public accountant.

The calculation result has a transaction size of approximately 20.10% which falls under the criteria that the transaction size is equal to or higher than 15% but less than 50%.

As a result, AOT has to proceed as follows:

- (1) Notify the information to SET
- (2) Send the circular letter to the shareholders within 21 days from the date of notification to SET, providing the minimum information as per the prescribed criteria.

## 9. Transaction Which Must Be Approved by the Related Agencies

None

## 10. Opinions of the Board of Directors Relating to the Decision to the Entry into the Transaction

The implementation of the DMK Development Project Phase 3 is to restore the original capacity of DMK. Upon completion of the project, the passenger handling capacity of DMK will increase from 30 to 40 million passengers per year. There will be 12 additional aircraft parking stands and 11 additional aerobridges. Higher income creates business expansion opportunities for AOT's future growth. This will create long-term benefits for AOT and shareholders. The AOT Board of Directors Meeting No. 5/2023, held on 22 March 2023, passed the following resolutions:

10.1 Acknowledged the Cabinet Resolution, dated 29 November 2022, approving the DMK Development Project Phase 3, according to the letter of the Ministry of Transport No. Wor 10205/2022 dated 19 December 2022.

10.2 Approved that the information of the transaction relating to the acquisition of assets be disclosed to the Stock Exchange of Thailand (SET) and circulated to the shareholders for acknowledgement.

**11. Opinions of the Audit Committee and/or Directors of the Company Which Are Different from Those of the Board of Directors under Clause 10**

None

Please be informed accordingly.

Yours sincerely,



KRIT PAKAGIJ

Corporate Secretary

Authorized Person

Corporate Secretary and Corporate Governance Department

Tel. 0 2535 5261

Fax. 0 2535 5189