



Sepo: 2nd TFFIF lot in May at the earliest

Process to offer new tranche takes time

WICHIT CHANTANUSORSIRI

The second batch of Thailand Future Fund (TFFIF) is expected to go public in May next year at the earliest, says the head of the State Enterprise Policy Office.

The processes to put a new phase of the infrastructure fund up for sale, especially the amendments to the Transport Ministry rules and submission of the initial public offering (IPO) filing to the Securities and Exchange Commission (SEC), take some time, said director-general Prapas Kong-led.

Although Deputy Prime Minister Somkid Jatusripitak and Finance Minister Apisak Tantivorawong want to push

the IPO of TFFIF's second lot ahead of the general election next year, it takes time to amend the laws, he said.

Toll revenue from two brownfield projects — motorway No.7, stretching from Bangkok to Chon Buri province, and motorway No.9, from Bang Pa-in to Bang Na — will be used to back TFFIF's second batch.

A special purpose vehicle will be established to enable toll revenue from the two motorways to be used as underlying assets for TFFIF's second batch, said Mr Prapas.

The fundraising size for the second batch is similar to the first tranche, he said.

The TFFIF's first lot mobilised 44.7 billion from public and it is backed by the 30-year right to earn 45% of future revenue from the Chalong Rat Expressway and Burapha Withi Expressway, both owned by the Expressway Authority of Thailand.

The fund was Thailand's largest IPO since 2015. The fund's first-year return

stands at 4.75%.

TFFIF received an overwhelming response from the public during the IPO subscription period of Oct 12-19, with retail investors' combined subscription value of 28.8 billion baht exceeding the originally proposed sales portion, while institutional investors were oversubscribed.

Proceeds from the IPO can be used from the middle of next year and the money is kept in the treasury's reserves. The fund's IPO will be used to finance construction of the expressway linking Rama III Road-Dao Khanong and the Western Outer Ring Road, worth 30.4 billion baht, as well as the third stage of the long-delayed northern expressway linking the Kasetsart intersection and Nawamin Road, also known as the N2 section, worth 14.4 billion baht.

Mr Prapas said the merged entity from CAT Telecom and TOT is being considered as an underlying asset for the third batch.