



Capital Increase Report Form (F 53-4)

(-Translation-)

CAPITAL INCREASE REPORT FORM
MASTER AD PUBLIC COMPANY LIMITED
January 10, 2019

We, Master Ad Public Company Limited (the “**Company**”), hereby report the resolutions of the Board of Directors’ Meeting No. 1/2019 held on January 9, 2019 from 1:00 p.m. to 5:00 p.m. in relation to the increase of the registered capital and the allocation of newly issued ordinary shares as follows:

1. Capital increase

The Board of Directors’ Meeting No. 1/2019 resolved to approve the increase of the Company’s registered capital by THB 41,266,817.70, from the existing registered capital of THB 550,222,458.70 to THB 591,489,276.40, by issuing 412,668,177 ordinary shares, with a par value of THB 0.10 per share. Details of the capital increase are as follows:

Type of capital increase	Type of shares	Number of shares (shares)	Par value (THB per share)	Total (THB)
<input checked="" type="checkbox"/> Specific purpose of utilizing the proceeds	Ordinary shares	412,668,177	0.10	41,266,817.70
	-	-	-	-
<input type="checkbox"/> General mandate	-	-	-	-

2. Allocation of newly issued shares

2.1 Specific purpose of utilizing the proceeds

Allocated to	Number of shares (shares)	Ratio (Existing: New)	Sale price (THB per share)	Date and time of subscription and share payment	Remark
Existing shareholders of the Company on a <i>pro rata</i> basis (Rights Offering)	412,668,177	<u>Allocation Ratio:</u> 10 existing ordinary shares : 1 newly ordinary share	1.60	During 11 – 15 March, 2019	Please see Remark No. 1

Remark:

- The Board of Directors’ Meeting No. 1/2019 held on January 9, 2019, passed a resolution to propose to the Extraordinary General Meeting of Shareholders of the Company No. 1/2019 to consider and approve the issuance and offering of 412,668,177 newly issued ordinary shares with a par value of THB 0.10 per share, to the existing shareholders of the Company on a *pro rata* basis (Rights Offering), at an allocation ratio of every 10 existing shares for 1 newly issued ordinary share, where any fractions of shares from calculation pursuant to the allocation ratio shall be rounded down, at an offering price of THB 1.60 per share, with total value of THB 660,269,083.20, which is not lower than the market price.

In this respect, the “market price” means the weighted average price of the Company’s ordinary shares traded on the Stock Exchange of Thailand (the “**SET**”) for 14 consecutive business days prior to the date on which the Board of Directors has passed the resolution to propose to the Extraordinary General Meeting

of Shareholders of the Company No. 1/2019 for approval of the newly issued shares, i.e., the period from December 18, 2018 to January 8, 2019, which is equal to THB 1.57 (information from www.setsmart.com).

In the case that there are newly issued ordinary shares remaining after the allocation to the existing shareholders on a *pro rata* basis, the Company shall propose to the shareholders' meeting of the Company to consider and approve the reduction of the Company's registered capital by cancelling the authorized but unissued shares remaining from the rights offering.

The Company has determined the date for determining the names of shareholders entitled to subscribe for the newly issued ordinary shares via a rights offering (Record Date) on February 22, 2019, and the subscription period during March 11-15, 2019.

In this regard, the Executive Committee or any person(s) authorized by the Executive Committee shall be empowered to consider and determine any details required for and relevant to the issuance and offering of the newly issued ordinary shares including, but not limited to:

- (1) allocations of the newly issued ordinary shares, whether in single or sequential allocations, period of the offering, payment of the offering price, any other conditions and details in connection with the issuance and offering of the newly issued ordinary shares;
- (2) entry into negotiation, agreement and execution of relevant documents and agreements, as well as taking any necessary actions in connection with the issuance and offering of the newly issued ordinary shares;
- (3) execution of applications for permission and waiver, and necessary evidence in connection with the rights offering, including arrangement and submission of applications for such permission or waiver, documents and evidence to the relevant authorities or agencies, and listing the newly issued ordinary shares on the SET; and
- (4) undertaking any other actions required for and relevant to the issuance and offering of the newly issued ordinary shares.

2. Actions to be taken by the Company in case there is fraction of shares

In the event that there is any fraction of newly issued ordinary shares resulting from the allocation of the newly issued ordinary shares to the existing shareholders on a *pro rata* basis, the fraction of shares shall be rounded down.

3. In the case that the Company is required to adjust the right under the Warrants to Purchase the Newly Issued Ordinary Shares of Master Ad Public Company Limited No.2 (the "**Warrants MACO-W2**") incurred as the offering price of the newly issued ordinary shares of the Company mentioned above is lower than 90 percent of the "market price per share of the company's ordinary shares" which is determined equivalent to the trade value of the Company's total ordinary shares, divided by the number of the Company's total ordinary shares, which have been traded on the SET during the period of 15 consecutive business days prior to the date for determining the names of shareholders entitled to subscribe for the newly issued ordinary shares via a rights offering (the first day on which the SET posts XR sign), the Company will proceed the adjustment of the right of the Warrants MACO-W2 and inform the holders of the Warrants MACO-W2 accordingly.

2.2 General mandate

Allocated to	Type of Shares	Number of Shares (Shares)	Percentage to the Paid-up Capital*	Remark
Existing shareholders (Rights Offering)	-	-	-	-
General public (Public Offering)	-	-	-	-
Specific persons (Private Placement)	-	-	-	-

3. Determination of the shareholders' meeting date to approve the capital increase and allocation of newly issued shares

The Extraordinary General Meeting of Shareholders of the Company No.1/2019 shall be convened on February 14, 2019 at 2:00 p.m. at Chaophya Ballroom, Chaophya Park Hotel, 2nd Floor, Rachadapisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok, and the date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders of the Company No. 1/2019 (Record Date) shall be on January 24, 2019.

4. Permission of the relevant government authorities and related conditions concerning the capital increase/allocation of newly issued shares

4.1 The Company shall register the increase of the Company's registered capital and amendment to the Memorandum of Association of the Company with the Department of Business Development, the Ministry of Commerce, within 14 days from the date on which approval on the capital increase and the amendment to Clause 4. of the Memorandum of Association of the Company is obtained, and the Company will register the increase of the Company's paid-up capital with the Department of Business Development, the Ministry of Commerce, within 14 days from the date on which the Company receives the complete payment of the offering price.

4.2 The Company shall apply for permission from the SET to list the Company's newly issued ordinary shares as listed securities on the SET.

5. Objectives of the capital increase and plans for utilizing the proceeds received from the capital increase

Objectives of the capital increase	Approximate amount of capital to be utilized (THB)	Period for utilizing the proceeds received
1. For the investment in the renovation of street furniture advertising media at the pillars of the BTS Sky Trains System which has been approved by the Bangkok Metropolitan	390,000,000	Within April, 2019

Objectives of the capital increase	Approximate amount of capital to be utilized (THB)	Period for utilizing the proceeds received
Administration in November, 2018, including repayment of the debt incurred as a result of such investment.		
<p>2. For the joint investment with Belino Investments Group via a joint venture company established in Indonesia through VGI MACO (SINGAPORE) (“VGI MACO”) by holding 40 percent shares in such joint venture company, where the Company entered into a joint venture agreement with Belino Investments Group on November 30, 2018.</p> <p>The Company may utilize the loan granted by the financial institution for such investment during the period that the Company have not received the capital from the issuance and offering of the newly issued ordinary shares. The Company will then repay such loan after receive the capital from the issuance and offering of the newly issued ordinary shares.</p> <p>In this regard, VGI MACO, a company incorporated under the laws of Singapore, is a joint venture company between the Company and VGI Global Media Public Company Limited. The Company currently holds 75 percent of shares in VGI MACO.</p>	50,000,000	Within February, 2019
3. For undertakings in accordance with the strategy by growing the	220,000,000	Within the year 2019

Objectives of the capital increase	Approximate amount of capital to be utilized (THB)	Period for utilizing the proceeds received
<p>Company's business to ASEAN region and for being utilized as a source of fund of the Company to accommodate the investment plans in the future, i.e., the investment in project of advertising media development and enhancing the network of advertising media both domestic and overseas. The project is currently under the process of consultation and it is a secret of business, which will be disclosed by the Company once the process is completed.</p> <p>Moreover, the objective of the capital increase is also for being utilized as working capital for the Company's business operation and/or for the Company's debt repayment.</p>		

6. Benefits which the Company will receive from the capital increase/allocation of newly issued shares

The capital increase will support the Company to have sufficient source of fund for the future investment, which is in line with the Company's strategy to grow its business to ASEAN region. The success of the investment on the renovation of street furniture advertising media at the pillars of the BTS Sky Trains System, the investment in a joint venture company in Indonesia and the undertakings according to the strategy to grow the Company's business to ASEAN region, will strengthen the Company's stability. Moreover, the capital increase will reduce the Company's financial burden if the Company utilize the proceeds derived from the capital increase for debt repayment. In addition, the capital increase would also enhance the Company's source of fund to be strengthened and ready to pursue with its future investment and operation plans in timely manner, and would enhance the Company's opportunity to generate revenues and profit and increase the opportunity to generate good returns on investment to the shareholders in a long term.

7. Benefits which the shareholders will receive from the capital increase/allocation of newly issued shares

7.1 Dividend policy

The Company has a policy to pay out dividend at the rate of not less than 50 percent of the net profit after corporate income tax and legal reserves according to its standalone financial statement.

In this regard, the dividend rate can be varied depending on the Company's operating results, financial position, liquidity, investment plan, working capital required for its business operation, business expansion and other related factors as the Board of Directors and/or shareholders deem appropriate.

7.2 Following the subscription of the newly issued ordinary shares, the subscribers of the newly issued shares (i.e. the existing shareholders of the Company) will be entitled to receive dividends from the Company's business operation after they have been recorded as holders of the Company's newly issued ordinary shares.

8. Other details necessary for shareholders' consideration to approve the capital increase/allocation of newly issued shares

8.1 Potential effects on Price Dilution

The issuance and offering of the newly issued ordinary shares to the existing shareholders of the Company on a *pro rata* basis (Rights Offering) will not cause any effect on the market price of the Company's ordinary shares since it is the issuance and offering of the newly issued ordinary shares to the Company's existing shareholders on their proportion right in the Company, at the offering price of THB 1.60 per share, which is not lower than the market price.

8.2 Potential effects on Control Dilution

The issuance and offering of the newly issued ordinary shares to the existing shareholders of the Company on a *pro rata* basis (Rights Offering) will not cause any effect on the Control Dilution of the Company's existing shareholders since it is the issuance and offering of the newly issued ordinary shares to the Company's existing shareholders on their proportion right in the Company.

8.3 Potential effects on Earnings per Share Dilution (EPS Dilution)

The issuance and offering of the newly issued ordinary shares to the existing shareholders of the Company on a *pro rata* basis (Rights Offering) will not cause any effect on the EPS Dilution of the Company's existing shareholders since it is the issuance and offering of the newly issued ordinary shares to the Company's existing shareholders on their proportion right in the Company.

9. Schedule of actions in case the board of directors passes a resolution to approve the capital increase/allocation of newly issued shares:

No.	Actions	Date/Month/Year
1.	The Board of Directors' Meeting No. 1/2019	January 9, 2019
2.	The date for determining the names of shareholders entitled to attend the Extraordinary General Meeting	January 24, 2019

No.	Actions	Date/Month/Year
	of Shareholders of the Company No.1/2019 (Record Date)	
3.	The Extraordinary General Meeting of Shareholders of the Company No. 1/2019	February 14, 2019
4.	Registration of the resolutions on the increase of the registered capital and the amendment to Clause 4. of the Memorandum of Association of the Company with the Department of the Business Development, the Ministry of Commerce	Within 14 days from the date on which approval on capital increase is granted by the meeting of shareholders
5.	Subscription date of the newly issued ordinary shares	
5.1	The date for determining the names of shareholders entitled to subscribe for the newly issued ordinary shares on a <i>pro rata</i> basis (Record Date)	February 22, 2019
5.2	Subscription period of the newly issued ordinary shares issued and offered to the existing shareholders	March 11-15, 2019
6	Registration of the increase of the paid-up capital with the Department of the Business Development, the Ministry of Commerce	Within 14 days from the date on which the share payment is received in full

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

Please be informed accordingly.

Sincerely yours,

Master Ad Public Company Limited



(Mr. Phoon Chong Kit)

Director

(Ms. Daranee Phanklin)

Director