

CAPITAL INCREASE REPORT FORM
MASTER AD PUBLIC COMPANY LIMITED

October 18, 2023

We, Master Ad Public Company Limited (the “**Company**”), hereby report the resolutions of the Board of Directors’ Meeting No. 3/2023-24 held on October 18, 2023, 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. 3/2023-24 resolved to approve the increase of the Company’s registered capital by THB 202,949,404.50 from the existing registered capital of THB 986,871,992.70 to THB 1,189,821,397.20 by issuing 2,029,494,045 newly issued 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	2,029,494,045	0.10	202,949,404.50
<input type="checkbox"/> General Mandate	-	-	-	-

2. Allocation of the newly issued shares (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
To accommodate the exercise of rights under warrants to purchase the newly issued ordinary shares of Master Ad Public Company Limited No. 5 (the “ Warrants ” or “ MACO-W5 Warrants ”)	Not exceeding 2,029,494,045	<u>Allocation Ratio:</u> 4 ordinary shares per 1 unit of the Warrants	<u>Exercise Price</u> THB 1.50 per share	The exercise of the rights to purchase the newly issued ordinary shares of the Company under the MACO-W5 Warrants shall be in accordance with the conditions on the exercise of the Warrants as stipulated in the Terms and Conditions Governing the	Please see remark Item 1. below

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Allocated to	Number of Shares (Shares)	Ratio (Existing : New)	Sale Price (THB per Share)	Date and Time of Subscription and Share Payment	Remark
				Rights and Obligations of the Issuer and Holders of the Warrants to Purchase the Newly Issued Ordinary Shares of Master Ad Public Company Limited No. 5 (MACO-W5) (the "Terms and Conditions of MACO-W5")	

Remark:

1. The Board of Directors' Meeting No. 3/2023-24 held on October 18, 2023 approved to propose to the Extraordinary General Meeting of Shareholders No.1/2023 to consider and approve the increase of the Company's registered capital by THB 202,949,404.50 from the existing registered capital of THB 986,871,992.70 to THB 1,189,821,387.20 by issuing 2,029,494,045 new issued ordinary shares, with a par value of THB 0.10 per share, to accommodate the exercise of rights under the MACO-W5 Warrants in the amount of not exceeding 2,029,494,045 units allocated to the existing shareholders of the Company pro rata to their respective shareholdings (Rights Offering), at no cost, at the allocation ratio of 4 existing ordinary shares per 1 unit of the Warrants. Any fractions derived from the calculation of the allocation ratio shall be rounded down.

The term of the Warrants is 3 years from the issuance date. The exercise ratio under the Warrants is that 1 unit entitles the holder to purchase 1 ordinary share at the exercise price of THB [1.50] per share. The summary of key features of the MACO-W5 Warrants is set out in the Key Features of Warrants to Purchase the Newly Issued Ordinary Shares of Master Ad Public Company Limited No. 5 (MACO-W5) (**Enclosure 1**).

The Company will issue the MACO-W5 Warrants to shareholders whose names are appeared on the determination date of shareholders who shall be entitled to receive the MACO-W5 Warrants (Record Date) on January 4, 2024.

Furthermore, the Board of Directors approved to appoint and authorize the Executive Committee to determine and/or amend additional details in relation to the issuance and allocation of the MACO-W5 Warrants, e.g., the issuance date, the allocation method, exercise period and expiration date, and to sign and amend any relevant documents including any relevant or necessary processes as appropriate for the completion of issuance and allocation of the MACO-W5 Warrants, including but not limited to applying applications, providing information and filing documents to the Securities Exchange of Thailand ("SET"), the Office of the Securities and Exchange Commission, Thailand Securities Depository Company Limited, the Department of Business Development, the Ministry of Commerce and other relevant agencies as well as listing the MACO-W5 Warrants and newly issued ordinary shares from the exercise right under the MACO-W5 Warrants on the SET.

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

2.1 In the event that there is a fraction of shares derived from the calculation of the allocation ratio of the MACO-W5 Warrants, such fraction of shares shall be rounded down.

2.2 In the event that there is an adjustment to the exercise ratio, upon the occurrence of events pursuant to the conditions relating to the right adjustment as stipulated in the Terms and Conditions of the MACO-W5 Warrants, resulting in a fraction of shares that will be allocated under the MACO-W5 Warrants, such fraction of shares shall be rounded down.

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

The Company has determined the date of the Extraordinary General Meeting of Shareholders No. 1/2023 to be on December 21, 2023, at 14:00 hrs. at Eastin Grand Hotel Phayathai and the date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2023 (Record Date) on November 2, 2023.

4. Application for approval of the capital increase/allocation of the newly issued shares by the relevant governmental agencies and approval conditions

4.1 The Company will register the increase of the registered capital and the amendment of the Memorandum of Association with the Department of Business Development, the Ministry of Commerce, within 14 days from the date on which the shareholders' meeting has resolved to approve the increase of the registered capital and the amendment of the Memorandum of Association of the Company. Furthermore, the Company will register the amendment of the paid-up capital with the Department of Business Development, the Ministry of Commerce, within 14 days from the date on which the Company fully receives the share payment from the exercise of right under the MACO-W5 Warrants.

4.2 The Company will apply for approval from the SET for listing the securities of the Company, i.e., the MACO-W5 Warrants issued to the existing shareholders of the Company pro rata to their respective shareholdings (Right Offering) and the newly issued ordinary shares of the Company from the exercise of right under the MACO-W5 Warrants.

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

The Company will increase its registered capital by THB 202,949,404.50 to accommodate the exercise of right under the MACO-W5 Warrants by issuing and allocating the Warrants not exceeding 2,029,494,045 units. The issuance of the Warrants shall enhance financial flexibility for [future business expansion and working capital needs of the Company]. In addition, the Company intends to issue and allocate the Warrants to the benefit of its shareholders. Shareholders are entitled to exercise their right to purchase the newly issued ordinary shares of the Company once the exercise period is due and receive capital gains from the sale Warrants on the SET.

In this regard, in case the rights under the Warrants are fully exercised, the Company shall receive fund in the amount of THB 3,044,241,067.50. The Company may utilize such funds for future business expansion and working capital, resulting in the continued growth of the Company's operation in the future.



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

When the rights to purchase ordinary shares of the Company under the MACO W-5 Warrants are exercised, the Company's financial position will be strengthened the Company's liquidity will be enhanced for business expansion and the proceed will serve as working capital for future operations, which will benefit the Company's overall business operations.

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

7.1 Dividend Policy

The Company has set the dividend payment policy at the rate of not less than 50 percent of the net profit according to the Company's separate financial statements after deduction of corporate income tax and legal reserve as required by law.

In this regard, the dividend payment rate can be adjusted depending on the Company's operation result, financial position, liquidity, investment plan, working capital required for the business operation, business expansion and other factors relevant to the management of the Company as the Board of Directors and/or shareholders deemed appropriate.

7.2 The holders of the MACO-W5 Warrants will be entitled to receive dividends from the Company's business operation after having exercised their rights under the MACO-W5 Warrants to purchase the newly issued ordinary shares of the Company and having been registered as shareholders of the Company.

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

In the event that the MACO-W5 Warrants are fully exercised, but the holders who exercise the Warrants are not the shareholders of the Company, the shareholders may be affected as follows:

8.1 Control Dilution Effects

In the event that the MACO-W5 Warrants are fully exercised but the holders who exercise the MACO-W5 Warrants are not the shareholders of the Company, there will be a control dilution effect on the Company's shareholders of approximately 20* percent compared to the shareholding before the issuance and allocation of the Warrants.

*Calculated from number of shares reserved to accommodate the Warrants issued this time of 2,029,494,045 shares, divided by the sum of (1) number of the Company's paid-up shares as of 17 October 2023 of 8,117,976,177 shares, and (2) number of shares accommodated for the Warrants issued this time of 2,029,494,045 shares.

Control Dilution

$$= \text{Number of shares reserved to accommodate the Warrants issued this time} / (\text{Number of paid-up shares} + \text{Number of shares accommodated the Warrants issued this time})$$
$$= 2,029,494,045 / (8,117,976,177 + 2,029,494,045) * 100$$

= Approximately 20 percent

Remark In case of the rights under MACO-W5 Warrants are fully exercised, the number of paid-up shares of the Company shall be increased to be 10,147,470,222 shares, which will dilute the shareholding of the existing shareholders of approximately 20 percent.

8.2 Price Dilution Effects

After the issuance and allocation of the Warrants to the existing shareholders of the Company pro rata to their respective shareholdings this time and the right under the MACO-W5 Warrants are fully exercised, there will be no price dilution effect since the exercise price is higher than the market price prior to allocation. The market price prior to the allocation is the closing price of the Company's ordinary shares traded on the SET for 7 consecutive business days prior to October 18, 2023 which is the date that the Board of Directors' Meeting has been held and resolved to propose the agenda to the Extraordinary General Meeting of Shareholders No. 1/2023 (price between 6 October 2023 and 17 October 2023, which is equivalent to THB 0.52 per share)

8.3 Earning per Share Dilution Effects

After the issuance of the Warrants to the existing shareholders of the Company pro rata to their respective shareholdings this time and the right under the MACO-W5 Warrants are fully exercised, there will be effect on earnings per share dilutions of approximately 20 percent compared to shareholding before the issuance of the Warrants, calculated as follows:

Earning Per Share Dilution

= (Earning Per Share before the allocation* - Earning Per Share After the allocation**) / Earning Per Share before the allocation

= (0.0175 - 0.0140) / 0.0175 * 100

= 20 percent

* Earning Per Share before the allocation = net profit / number of paid-up shares or equivalent to 0.0175

** Earning Per Share after the allocation = net profit / (number of paid-up shares + number of shares accommodated for the Warrants) or equivalent to 0.0140

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. 3/2023-24	October 18, 2023

No.	Actions	Date/Month/Year
2.	The date for determining the names of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2023 (Record Date)	November 2, 2023
3.	The Extraordinary General Meeting of Shareholders No. 1/2023	December 21, 2023
4.	Registration of the increase of the registered capital and the amendment 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 of the shareholders' meeting's resolution of the increase of the registered capital.
5.	The date for determining the names of shareholders entitled to be allocated with the MACO-W5 Warrants (Record Date)	January 4, 2024
6.	Date of Issuance and Allocation of the MACO-W5 Warrants	February 6, 2024
7.	Listing the Warrants on the SET	Will be informed accordingly

10. Opinion of the Board of Directors

1) Rationale and necessity of capital increase to accommodate the exercise right under the MACO-W5 Warrants

To enhance financial flexibility for future business expansion and working capital of the Company. The Company foresees that the issuance and allocation of the MACO-W5 Warrants to the existing shareholders pro rata to their respective shareholdings is a suitable means of raising funds. This approach can reduce the financial burden of the Company associated with borrowing from the financial institution in the future.

2) Possibility of utilizing plan of funds receiving from the exercise right under the MACO-W5 Warrants

In the event the Warrants holder fully exercise the right to purchase the ordinary shares of the Company, the Company will receive the money in the amount of THB 3,044,241,067.50. The Company may utilize such funds for future business expansion and working capital, resulting in the continued growth of the Company's operation in the future.

3) Appropriateness of the capital increase to accommodate the exercise of right under the MACO-W5 Warrants

The capital increase and the allocation of the MACO-W5 Warrants, this time, is reasonable and appropriate, as it will increase the Company's future working capital, reduce the need for borrowed loans for business expansion or investments and strengthen the Company's financial position.

4) Effect to business operation, financial position and operating results of the Company

The Board of Directors is of the view that [this capital increase will enhance the Company's cash flow and liquidity, enabling future business expansion and investment, and increasing working capital. This, in turn, will enhance the Company's financial position and operational results, reduce loan expenses and add value to the Company's securities, ultimately creating opportunities to pay dividends to shareholders in the future.].

11. Certification of the Board of Directors

The Board of Directors certifies that in case the members of the Board of Directors do not honestly perform their duty and carefully preserved the benefit of the Company in relation to the capital increase and such matters cause damage to the Company, the shareholders are entitled to claim for the damages from such directors on behalf of the Company pursuant to the Section 85 and other relevant Sections of the Securities and Exchanges Act B.E. 2535 (as amended), and in case that the directors or his/her related person obtain the unlawful benefit from such matters, the shareholders are entitle to claim such benefit from such directors on behalf of the Company pursuant to the Section 89/18 of the Securities and Exchanges Act B.E. 2535 (as amended).

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

Please be informed accordingly.

Your sincerely,

Master Ad Public Company Limited



A handwritten signature in blue ink, appearing to be 'Weng Sam Lam'.

(Mr. Weng Sam Lam)

Director

A handwritten signature in blue ink, appearing to be 'Warawut Natpradith'.

(Mr. Warawut Natpradith)

Director