

**Capital increase report form**  
**Masterkool International Public Company Limited**

We, Masterkool International Public Company Limited, hereby report on the resolution of Board of Director Meeting No. 3/2021, held on 31 March 2021 from 9:00 am to 11:00 am, relating to a capital decrease and capital increase and share allotment as follows:

**1. Capital decrease and capital increase**

**1.1 Capital decrease**

The Board of Director Meeting has passed a resolution to propose to the Annual General Meeting of Shareholders for the year 2021 to consider and approve the decrease of the Company's registered capital in the amount of 24,000,000 Baht from the registered capital of 144,000,000 Baht to the registered capital of 120,000,000 Baht by removing 96,000,000 unsold shares with a par value of 0.25 Baht per share.

**1.2 Capital increase**

The Board of Director Meeting has passed a resolution to propose to the Annual General Meeting of Shareholders for the year 2021 to consider and approve the increase of the Company's registered capital in the amount of 60,000,000 Baht from the registered capital of 120,000,000 Baht to the registered capital of 180,000,000 Baht by issuing 240,000,000 newly issued ordinary shares, with a par value of 0.25 Baht per share, details as follows:

Type of capital increase	Type of share	Number of shares	Par value (Baht/share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary	240,000,000	0.25	60,000,000
	Preferred	-	-	-
<input type="checkbox"/> General mandate	Ordinary	-	-	-
	Preferred	-	-	-

**2. Allotment of new shares:**

**2.1 Specific the purpose of utilizing funds**

The Board of Director Meeting has passed a resolution to approve the allotment of 240,000,000 newly issued ordinary shares, with a par value of 0.25 Baht per share, total value of 60,000,000 Baht to offered to the existing shareholders in proportion to their shareholding, details as follows:

Allotted to	Number of shares	Ratio (old : new)	Sale price (Baht/share)	Subscription and payment period	Note
Existing shareholders in proportion to their shareholding	240,000,000	2 : 1	0.45	The Board of Directors will determine later.	

**2.1.1 The Company's plan in case there is a fraction of shares remaining**

There is no fraction of shares.

**2.2 General Mandate**

Allotted to	Type of securities	Number of shares	Percentage per Paid-up capital <sup>1/</sup>	Note
Existing shareholders in proportion to their shareholding	Ordinary Shares	-	-	-
	Preferred Shares	-	-	-
Private Placement	Ordinary Shares	-	-	-
	Preferred Shares	-	-	-

<sup>1/</sup> Percentage of paid-up capital as of the date the Board of Directors of listed company resolves to increase capital as General Mandate.

**3. Schedule for an annual general meeting of shareholder/extraordinary meeting of shareholder to approve the capital increase/share allotment**

The date of convening of the Annual General Meeting of Shareholders 2021 teleconferences through an electronic device (E-AGM) to be convened on 22 April 2021 at 1:30 pm, by broadcasting live from the meeting room 2/FI, Masterkool International Public Company Limited 12/16-17 Thesabansongkrao Road, Ladyao, Chatuchak, Bangkok 10900 by

- The date for fixing the names of Shareholders who shall be entitled to attend the AGM 2021(Record Date) shall be on 26 March 2021
- The book closing date to determine the shareholders who shall be entitled to attend the AGM 2021 from..... until completion of the meeting

**4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)**

4.1 The Company shall apply for the registration of decrease of the Company's registered capital, increase of the Company's registered capital, and the Company's paid-up capitals including the amendment of the Memorandum of Association with the Department of Business Development, Ministry of Commerce of Thailand.

4.2 The Company shall submit applications to the Stock Exchange of Thailand for approval of newly issued ordinary shares offered to the existing shareholders.

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

- 1) To be utilized as working capital for operation of the Company's existing business.
- 2) To repay the Company's debt to reduce the financial costs.

**6. Benefits which the Company will receive from the capital increase/share allotment:**

To increase liquidity of the Company for its existing business

**7. Benefits which shareholders will receive from the capital increase/share allotment:**

7.1 Dividend policy

The Company has a policy to pay the dividend to shareholders at the rate not less than 40 percent of net profit after deducting corporate income tax of the separate financial statements and after deducting legal reserve and other reserves.

However, such dividend payment may change under the consideration of paying dividend at a rate lower than the rate set above or suspend from paying dividends depending on the economic conditions, performance, financial position, liquidity of the Company and its subsidiaries and the need as working capital in the business management and expansion of the Company and its subsidiaries under the condition that the Company must have sufficient cash for the operation of the business and doing so must be in the best interests of the shareholders according to the Board of Directors and/or the Company's shareholders who deem appropriate.

7.2 Rights of shares subscribers to receive dividend

Subscribers of new shares issued for this capital increase will be entitled to receive dividends from the Company's business operations starting from the day they are registered as shareholder of the Company.

7.3 Others

-None-

**8. Other details necessary for shareholders to approve the capital increase/share allotment:**

This offering and the allotment of the newly issued ordinary shares to the existing shareholders in proportion to their shareholding may affect the shareholding ratio (Control dilution) and the share price (Price dilution) as follows:

Affect to the shareholder (Control dilution)

After the offering and the allotment of the newly issued ordinary shares by Right Offering, the shareholding ratio will change as follows:

The formula for calculating control dilution =  $Q_r / (Q_o + Q_r)$  where;

$Q_o$  = Number of existing ordinary shares: 480 million shares

$Q_r$  = Number of additional new shares offered by Right Offering: 240 million shares

$$\begin{aligned} \text{Therefore, Control Dilution} &= Q_r / (Q_o + Q_r) \\ &= 240 / (480 + 240) \\ &= 33.33\% \end{aligned}$$

Affect to the share price (Price dilution)

In case of allotment of new shares by Right Offering (Reference the closing price of the Company's ordinary shares as of March 30, 2021)

$$\text{Post-offering market price} = \frac{(\text{market price} \times \text{number of paid-up shares}) + (\text{offering price of newly issued ordinary shares to the existing shareholders} \times \text{number of})}{\text{total number of shares}}$$

$$\begin{aligned}
 & \frac{\text{newly issued shares offered to the existing shareholders}}{\text{(number of paid-up shares + number of newly issued shares offered to the existing shareholders)}} \\
 & = \frac{(1.35 \times 480,000,000) + (0.45 \times 240,000,000)}{(480,000,000 + 240,000,000)} \\
 & = 1.05 \text{ Baht per share} \\
 \text{Price Dilution} & = \frac{1.35 - 1.05}{1.35} \\
 & = 22.22\%
 \end{aligned}$$

**9. Schedule of action if the Board of Directors passes a resolution approving the capital increase/allotment of new shares:**

No.	Procedures of the capital increase	Date/Month/Year
1	Resolution of the Board of Directors Meeting No. 6/2020 on capital increase offering to the existing shareholders (Right Offering)	18 December 2020
2	The date to fix the names of the shareholders who are entitled to attend the Annual General Meeting of Shareholders 2021 (Record Date)	26 March 2021
3	The date of the Meeting of the Board of Directors No.3/2021 (Addition)	31 March 2021
4	The date of the Annual General Meeting of Shareholders 2021	22 April 2021
5	The date to fix the names of the shareholders who are entitled to the allotment of newly issued ordinary shares (Record Date)	29 April 2021
6	Subscription period and payment dates for the subscription of the newly issued ordinary shares offered to the existing shareholders according to the shareholding ratio	To be announced

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

Yours sincerely,

-Noppachai Veeraman-

(Mr. Noppachai Veeraman)

Managing Director