

**Capital Increase Report Form**  
**Nok Airlines Public Company Limited**  
**28 February 2017**

We, Nok Airlines Public Company Limited (the “Company”), hereby reports the resolutions of the Board of Directors’ meeting of the Company No.2/2017, which was held on 28 February 2017 during 16.00 - 20.00, to the Stock Exchange of Thailand (“SET”) in respect of capital increase to accommodate the allocation of newly issued shares to existing shareholders proportionate to their respective shareholdings (Rights Offering) and to accommodate the exercise of warrants to purchase ordinary shares of the Company No.1 (NOK-W1), as follows:

### 1. Capital Increase

The Board of Directors has resolved to approve the increase of registered capital of the Company from Baht 625,000,000 to Baht 1,406,250,000 by issuing 781,250,000 newly-issued ordinary shares with the par value of Baht 1 each, totaling Baht 781,250,000. The details of the capital increase are as follows:

Type of Capital Increase	Type of Share	No. of shares (Share)	Par Value (Baht/Share)	Total Value (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary shares Preferred shares	781,250,000 -	1 -	781,250,000 -
<input type="checkbox"/> General Mandate	Ordinary shares Preferred shares			

### 2. Allocation of newly issued shares

#### 2.1 Details of allocation for the specific purpose of utilizing proceeds

Allotted to	No. of shares	Ratio	Sale Price (Baht per share)	Subscription period and payment period	Remark
1. to the existing shareholders proportionate to their respective shareholdings (Rights Offering)	Not exceeding 625,000,000	1 existing ordinary share to 1 newly-issued ordinary share	Baht 2.40 Please see remark (1)	Please see remark (1)	Please see remark (2)
2. Accommodate the exercise of the Warrant to purchase ordinary shares of the Company No.1 (NOK-W1) (“Warrant”)	Not exceeding 156,250,000	4 newly issued ordinary shares to 1 unit of Warrant	Warrant has no offering price; with the exercise price at Baht 5.00 per share, which is the price discounted from the closing price of the Company’s shares trading on the SET as of 27 February 2017, the business date prior on which the Board of Directors resolved to approve of this matter (the closing price as of 27 February 2017 was equivalent to Baht 8.45, therefore, such exercise price of Baht 5.00 per share is a price that can be calculated as the discount of 40.83 percent of the closing price).	Please see remark (3)	

**Remarks:**

- (1) In respect of offering of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (Rights offering), the allocation ratio is 1 existing share to 1 newly-issued ordinary share (the total numbers of shares for the Rights Offering are 625,000,000) with the offering price at Baht 2.40 per share, which is the price discounted from the closing price of the Company's shares trading on the SET as of 27 February 2017, the business date prior on which the Board of Directors resolved to approve of this matter (the closing price as of 27 February 2017 was equivalent to Baht 8.45, therefore, such offering price of Baht 2.40 per share is a price that can be calculated as the discount of 71.60 percent of the closing price) and the subscription period is 16 May, 17 May, 18 May, 19 May, and 22 May 2017 (a total of 5 business days). In this regard, the Company has approved the date for determination of shareholders' entitlement to subscribe for the newly-issued ordinary shares proportionate to their respective shareholdings (Record Date) to be on 27 April 2017. The shareholder register book will be closed on 28 April 2017 in compliance with section 225 of the Securities and Exchange Act B.E.2535 (as amended).

In the allotment of newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings, if there are newly-issued ordinary shares remaining after the first allotment to the existing shareholders proportionate to their respective shareholdings, the remaining shares shall be allotted to the oversubscribing shareholders, based on their existing shareholding and at the same offering price. With regards to such allotment, the Company shall allot the remaining shares to shareholders until there is no share remaining or until there is no shareholder express their intention to subscribe the newly-issued ordinary shares.

- (2) the Board of Directors, authorized directors of the Company according to the Company's Affidavit or any person entrusted by the Board of Directors or authorized directors of the Company according to the Company's Affidavit shall be authorized to have the power to contact, negotiate, amend, agree, execute, and deliver all relevant documents, instruments, and/or agreements with the counterparties and/or any related persons relating to the allotment of newly-issued ordinary shares, including but not limited to contacting, seeking approval, waiver (if any), and necessary and relevant evidence to the relevant government agencies or relevant authorities, such as the Office of the Securities and Exchange Commission and the SET, as well as amending the relevant information memorandum to be disclosed, disclosing relevant information, making statement and information to relevant authorities, and determining and/or amending conditions and relevant details in relation to the allotment of newly issued shares from the capital increase of the Company to existing shareholders proportionate to their respective shareholdings (Rights Offering), subject to the relevant rule and law, which shall include but not be limited to the following: (1) to consider and determine whether the newly-issued ordinary shares shall be one or from time to time allocation, the offering period, date for listing the names of the existing shareholders having the right to subscribe for and be allocated the newly-issued ordinary shares (Record Date), payment for shares, and other details and conditions relating to the allocation; (2) to appoint the financial advisors, enter into negotiations, agreements, and execute relevant documentation and agreements relating to the allocation, and to undertake any act in connection with the allocation, including any action relevant to the allotment of such shares; and (3) to sign application forms for permission, relaxation (if any), and necessary and relevant evidence in relation to the allocation and offering of the newly issued ordinary shares, including to take actions and submit applications, waiver (if any) and necessary evidence to the relevant government agencies or relevant authorities, and to list the newly-issued ordinary shares on the SET, and to take any action necessary and relevant to the entering into the transaction in all respects until completion of the transaction, and to appoint and/or remove substitute to take the foregoing actions.

(3) For the offering of shares under No 2., the Board of Directors, authorized directors of the Company according to the Company's Affidavit or any person entrusted by the Board of Directors or authorized directors of the Company according to the Company's Affidavit is authorized to proceed do the following: 1) to determine or amend the details, procedures and other conditions related to the issuance and offering of Warrant, as deemed appropriate, including but not limited to, the terms and conditions of Warrant, issuing date, the determination of date on which the shareholders will be entitled to be offered Warrant, the number of ordinary shares to accommodate the exercise of right of Warrant, exercise period, or to determine the adjustment events requiring the Company to issue additional underlying shares to accommodate the exercise of Warrant; and 2) to enter into negotiations, agreements, execution of, and amendment to agreements, documents, sale report, information disclosure, requests for waiver, reports, applications for approval and necessary evidence required in relation to the issuance and offering of Warrant, as well as to communicate and submit the aforementioned documents for approval, together with the relevant documents and evidence, and make any arrangement, or contact and/or perform any acts with, the Office of the Securities and Exchange Commission, the SET, government agencies and/or any other relevant authorities concerning the issuance and offering of Warrant, the listing of Warrant and the listing of the newly issued ordinary shares from the exercise of Warrant on the SET, and to have authority to take any other actions which are deemed necessary and appropriate for all of the aforementioned matters.

2.2 The Company's plan in case where there is a fraction of shares remaining

Authorized directors of the Company according to the Company's Affidavit or any person entrusted by authorized directors of the Company according to the Company's Affidavit is authorized to use discretion to round down such fraction or undertake other actions as deemed necessary and appropriate in order to have a successful share capital increase

**3. Schedule for shareholders' meeting to approve the capital increase and allotment of shares**

The Annual General Shareholders' Meeting for the year 2017 is scheduled to be on 19 April 2017 at 9.00 a.m. The venue is at the Grand Ballroom, 4th Floor, Miracle Grand Convention Hotel, No.99 Vibhavadi-Rangsit Road, Lak Si District, Bangkok 10210. The date for determination of shareholders' entitlement to attend the meeting will be 15 March 2017 (Record Date). The shareholder register book will be closed on 16 March 2017 under section 225 of the Securities and Exchange Act B.E.2535 (as amended) to prepare the list of shareholders who are entitled to attend the Annual General Shareholders' Meeting for the year 2017.

**4. Approval of the capital increase and shares allotment by relevant governmental agency and conditions thereto**

4.1 To register the capital increase, amendment to the Memorandum of Association and the change of paid-up capital with the Department of Business Development, Ministry of Commerce.

4.2 To apply for an approval from the SET to list the newly issued shares as listed securities on the SET.

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

The Company has necessity to raise fund for increasing efficiency in its operation and expanding new route, which the Company expects to spend approximately Baht 2,281 million. The Company also expects that the plan of capital increase will be sufficient for utilizing proceeds plan.

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

The proceed from the issuance and offering of newly-issued ordinary shares will be an important portion of Company's capital to enhance the operation in order to compete with other operators in the business by increasing efficiency in its operation and expanding new route resulting in increase of revenue and better operation and benefit to the shareholders in long term.

**7. Benefits which the Shareholder will receive from the capital increase/shares allotment**

1. Dividend Payment Policy

The Company's policy is to pay its dividend to shareholders at a rate approximately not lower than 25 percent of its net profit based in the Company's financial statements after deducted corporate income tax and after deducted statutory reserves each year, in case there is no need to use proceed in any other situation and the dividend payment meanwhile must not materially affect the Company's normal operations.

2. The subscriber of the newly-issued ordinary shares will be entitled to receive dividends from the Company's business operation after the subscriber's registration as a shareholder of the Company

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

-None-

**9. Schedule of action where the Board of Directors passed the resolutions approving the increase in capital/the shares allotment**

No.	Procedures of the Shares Allotment	Date / Month / Year
1	Approval of the capital increase and shares allotment by the Board of Directors' Meeting No. 2/2017	28 February 2017
2	To determine shareholders' entitlement to attend the Annual General Shareholders' Meeting for the year 2017 (Record Date)	15 March 2017
3	To prepare the list of shareholders who are entitled to attend the Annual General Shareholders' Meeting for the year 2017 by closing share register book under Section 225 of the Securities and Exchange Act B.E.2535 (as amended)	16 March 2017
4	To hold the Annual General Shareholders' Meeting for the year 2017	19 April 2017
5	Registration of the increase of registered capital and amendment to the Memorandum of Association with the Department of Business Development, Ministry of Commerce	Within 14 days from the date of approval by shareholders

No.	Procedures of the Shares Allotment	Date / Month / Year
6	To determine the list of existing shareholders' who are entitled to the share subscribe and be allotted for the newly issued ordinary shares proportionate to their respective shareholdings (Rights Offering) (Record Date)	27 April 2017
7	To prepare the name list of shareholders who are entitled to the share subscribe and be allotted for the newly issued ordinary shares proportionate to their respective shareholdings (Rights Offering) by closing share register book under Section 225 of the Securities and Exchange Act B.E.2535 (as amended)	28 April 2017

The Company here by certifies that the information contained in this report is true and correct in all respects.

(signed) -Mr. Montree Jumrieng- Authorized Director  
(Mr. Montree Jumrieng)

*-Company's Seal-*

(signed) -Mr. Patee Sarasin- Authorized Director  
(Mr. Patee Sarasin)