

Preliminary information of the Warrant to purchase ordinary shares of the Company No.1
(NOK-W1) (“NOK-W1” or “Warrant”)

Name of Warrant	:	Warrant to purchase ordinary shares of Nok Airlines Public Company (the “ <u>Company</u> ”) No. 1 (“NOK-W1” or “Warrant”) offered to the existing shareholders who subscribe to the newly-issued ordinary shares
Type of Warrant	:	Warrant to purchase ordinary shares of the Company which is specify the holder’s name and transferable
Number of Warrant offered	:	Not exceeding 156,250,000 units
Number of ordinary underlying shares to accommodate the exercise of Warrant	:	Not exceeding 156,250,000 shares, equaling to 12.5 percent of the Company’s paid-up capital
Offering method	:	<p>The Warrants will be offered together with the newly-issued ordinary shares to the existing shareholders of the Company proportionated to their shareholdings (Rights Offering), whereby the Company will offer the Warrants to the existing shareholders who subscribe to the newly-issued ordinary shares at the ratio of 4 newly-issued ordinary shares to 1 unit of Warrant. A fraction of unit, if any, shall be disregarded. If there are Warrants remaining after the allotment, the Company will cancel the Warrants remaining after the offering.</p> <p>The Board of Directors has determined the offering period of the ordinary shares to the existing shareholders proportionated to their shareholdings (Rights Offering) to be on 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’ entitled to subscribe for the newly-issued ordinary shares proportionate to their respective shareholdings (Record Date) on 27 April 2017 and the date for compiling list of shareholders according to section 225 of the Securities and Exchange Act B.E.2535 (as amended) by way of book closing on 28 April 2017.</p>
Offering price	:	Baht 0 per unit (Baht Zero)
Term of Warrant	:	3 years from the issue date of the Warrant, whereas, after the issuance of the Warrant, the Company shall not extend the term of the Warrant
Exercise ratio	:	1 unit of the Warrant to 1 ordinary share
Exercise price	:	Baht 5.00 per share
Exercise period	:	<p>Except only for the first and the last time to exercise right, Warrant holders may exercise their rights according to the Warrants on every last business day of each quarter within 3 years from the issue date of the Warrant. In the event that any exercise date does not fall on a business day of the Company, the exercise date will be the business day preceding such date.</p> <p>In this regard, 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 determine the exercise period for the first and the last time to exercise right as deemed appropriate, after the shareholders’ meeting has approved to issue and offer the Warrant.</p>
End of exercise period	:	Within 3 years from the first issue date of the Warrant, which the exact period shall be further determined by 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.

Impact to the shareholders : 1. Effect on Control Dilution
Effect to the Existing Shareholders from the Issuance of Right Offering Shares and Warrants (NOK-W1)

1.1 Existing shareholders of the Company exercise the whole amount of NOK-W1
The shareholders will not be affected because the issuance and offering of shares and warrants (NOK-W1) are made to existing shareholders in proportion to their respective shareholdings.

1.2 If non-existing shareholders exercise the whole amount of NOK-W1
If NOK-W1 are fully exercised by non-existing shareholders, the dilution effects to the Company's existing shareholders can be determined as follows:

$$\begin{aligned} \text{Control Dilution} &= \frac{\text{No. of shares to be increased upon the exercise of NOK-W1}}{\text{(No. of existing paid-up shares + No. of right offering shares + No. of shares to be increased upon the exercise of NOK-W1)}} \\ &= \frac{156,250,000}{625,000,000 + 625,000,000 + 156,250,000} \\ &= 11.11\% \end{aligned}$$

2. Effect on Price Dilution

$$\text{Price Dilution} = \frac{\text{(Market Price before the offering - Market Price after the offering)}}{\text{Market Price before the offering}}$$

Where;

Market Price before the offering = Weighted average closing price of the Company's ordinary shares during 15 business days consecutively before the date of the Board of Directors' meeting No. 2/2017 held on 28 February 2017, i.e. from 6-27 February 2017, which equals to Baht 8.01 per share (information from SETSMART)

$$\begin{aligned} \text{Market Price after the offering} &= \frac{\text{(Market Price} \times \text{No. of existing paid-up shares)} + \text{(Right offering share price} \times \text{No. of right offering shares)} + \text{(Exercise Price of NOK-W1} \times \text{No. of shares increased upon the exercise of NOK-W1)}}{\text{No. of existing paid-up shares} + \text{No. of right offering shares} + \text{No. of shares increased upon the exercise of NOK-W1}} \\ &= \frac{(8.01 \times 625,000,000) + (2.4 \times 625,000,000) + (5 \times 156,250,000)}{(625,000,000 + 625,000,000 + 156,250,000)} \\ &= 5.19 \end{aligned}$$

Price Dilution = 35.21%

3. Effect on Earnings Per Share Dilution (EPS Dilution)

The Company has suffered loss from the operation.

Objective of the issuance of Warrant and the benefit which the Company will gain from the allotment of newly-issued ordinary shares : The issuance of the Warrant is to raise fund for increasing efficiency in the operation of the Company and to expand new route by receiving Baht 781.25 Million, if all of the Warrant holders fully exercise their rights. Further details are as specified in Information Memorandum regarding the allotment of newly-issued ordinary shares offering to the existing shareholders together with the warrant to purchase ordinary shares of the Company No. 1 (NOK-W1) **(Attachment 12)**

Adjustment of rights to exercise the Warrant	<p>The Company may adjust the exercise price and the exercise ratio upon the incurrence of one or more of the following events, with the objective to protect the benefits of the holders of the Warrant:</p> <ol style="list-style-type: none"> 1. When there are changes to the par value as a result of any reverse stock split or stock split; 2. When there are issuance of new shares at a discount price to the market price; 3. When the Company offers any convertible debentures or warrants at a discount price to the market price; 4. When the Company fully or partially pays dividend by issuing new shares to the shareholders; 5. When the Company pays dividend in excess of the rate as specified in the terms and conditions; 6. Any other events that are similar to the events specified in numbers 1 to 5 above rendering that any benefits the Warrant holders are entitled to, upon the exercise of the Warrant, will be prejudiced. <p>In this regards, 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 determine other conditions and details in relation to the adjustment or change of the exercise ratio and exercise price.</p>
Benefit which the shareholders will receive from the capital increase	<p>The Company's shareholders will receive the benefit as the result of the utilization of the fund raised to increase efficiency and to expand new route, strengthen the Company and generate revenue to the Company. If shareholders exercise their right to the Warrant, shareholders are entitled to receive dividend payment pursuant to the policy at the rate of no less 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.</p>
Other conditions	<p>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 do the following:</p> <ol style="list-style-type: none"> 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 underlying 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 an 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 to, and make any arrangement, or contact and/or perform any acts with, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, 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 Stock Exchange of Thailand, and to have authority to take any other actions which are deemed necessary and appropriate for all of the aforementioned matters.
Warrant registrar	<p>Thailand Securities Depository Co., Ltd.</p>