

Preliminary details of warrants on ordinary shares of Evolution Capital Public Company Limited

Issuer:	Evolution Capital Public Company Limited
Category:	Warrants on ordinary shares of Evolution Capital Public Company Limited ("E-W1")
Type:	Transferable warrants, with the name of bearer
Number of warrants:	Not exceeding 347,000,000 ¹ units
Offering price:	Baht 0.10 per unit
Offering and allocation method:	<p>Allot not more than 347,000,000¹ warrants to all existing shareholders at a ratio of 2 existing shares per 1 warrant whose name appears in the shareholding book on the closing date for the right to receive the warrants. If there are any fractions of warrants resulting from the calculation of the offering ratio of the existing shares, such fractions will be discarded.</p> <p>The Record Date for the names of shareholders entitled to receive the warrants is 11 October 2010 and the share register book closing date is 12 October 2010 for gathering shareholders' names under Section 225 of the Securities and Exchange Act B.E. 2535 (amended B.E. 2551).</p> <p>The existing shareholders shall be entitled to subscribe for additional warrants exceeding their rights at the same offer price as the rights offering. The Company shall allot any remaining warrants from the rights offering warrant subscription to shareholders who subscribe in excess of their entitlement by shareholding ratio or pro-rata basis until there are no warrants remaining or no shareholders subscribe for such warrants in accordance with the following rules:</p> <ol style="list-style-type: none"> 1. In the case where the amount of remaining unsubscribed warrants is less than the number of warrants subscribed to by entitled shareholders, the remaining warrants shares shall be allotted to those shareholders who have expressed their intention to subscribe for additional warrants in excess of their entitlement, and have fully paid such additional subscription amount, pro-rata to all shareholders who subscribed in excess of their entitlement in accordance with their shareholding until there are no warrants remaining. The Company shall refund payment for unallotted warrants, if any, to shareholders with no interest within 14 days of the last subscription date. 2. In the case where the number of remaining unsubscribed warrants is greater

¹ Including the number of warrants, not exceeding 32,916,941 units, allocated to shareholders who subscribe to 65,833,882 private placement shares during 10-20 August 2010.

	<p>than the number of warrants subscribed to by existing shareholders, they shall be allocated to all existing shareholders who have expressed their intention to subscribe for additional warrants in excess of their entitlement, and have fully paid such additional subscription amount. The remaining unsubscribed warrants shall then be cancelled.</p> <p>Further details of the warrant offering, its allocation, and any other necessary conditions shall be determined by the Board of Directors or any person assigned by the Board of Directors.</p>
Term of warrants:	Not exceeding 10 years from the issuance date of the warrants
Conversion ratio:	1 unit of warrant per 1 ordinary share , unless the exercise ratio is adjusted under the conditions of the rights adjustment
Exercise price:	Baht 1.50 per share, unless the exercise ratio is adjusted as a result of a rights adjustment
Date of the warrants:	The offering period shall be completed within one year from the date on which the issuance is approved by the extraordinary general meeting (EGM). The Board of Directors or any person assigned by the Board of Directors shall be authorised to determine the issuing and offering date of the warrants.
Exercise period and condition for exercise:	<ol style="list-style-type: none"> 1. The warrant holders can exercise their warrants on the last working day of every quarter (March, June, September, and December) of each calendar year until date of expiration of the warrants. 2. The first exercise date will be on the last working day of March 2011. 3. The last exercise date will be on the date of expiration of the warrants. If the last exercise date is not a business day, to the exercise date shall then be the preceding working day prior to the last exercise date. The Board of Directors or any person assigned by the Board of Directors shall be authorised to determine the last exercise date. 4. The warrant holders can submit their intention to exercise their rights to purchase ordinary shares of the Company within 15 business days prior to the last exercise date.
Secondary market for the warrant:	The Company shall apply to list the warrants on the Market for Alternative Investments (MAI).
Secondary market for the ordinary	The Company shall apply to list the ordinary shares from the exercise of warrants on the Market for Alternative Investments (MAI).

shares:	
Number of new ordinary share reserved:	<p>Not exceeding 347,000,000 shares (with a par value of Baht 1 per share) equivalent to 50% of the Company's total paid up ordinary shares (including the new ordinary shares to be offered for private placement following the previous resolutions of the extraordinary general meeting).</p> <p><u>Calculation of number of new ordinary share reserved for warrant exercise:</u></p> $\frac{\text{(Number of new ordinary shares reserved for this warrant offering + Number of previous shares reserved for previous warrant excluding any ESOP warrants)}}{\text{(Total paid-up ordinary shares + The newly issued shares offering together/attached with this offering warrant)}}$ $= (347,000,000 + 0) / (694,000,000)^* = 50\%$ <p>* Total paid-up ordinary share of 628,166,118 shares + 65,833,882 new ordinary shares offered by way of private placement pursuant to previous resolutions of the extraordinary general meeting of shareholders.</p>
Dilution effect on shareholders:	<p>1. The new ordinary shares from the exercise of warrants have the same rights and benefits as existing ordinary paid-up shares.</p> <p>2. The dilution effect on shareholders can be determined as follows. The effects include the impact of the private placement share.</p> <ul style="list-style-type: none"> • Control Dilution <p>If all of the existing shareholders exercise the entire amount of warrants, the shareholding and control dilution of the existing shareholders will not be affected by the issuance and offering to existing shareholders in proportion to their respective shareholding. However, If all of the persons who exercise the warrants are not existing shareholders, the shareholding of the existing shareholders will be diluted by 33.33%.</p> $\text{Control dilution} = \frac{\text{Number of new ordinary share reserved}}{\text{(Total paid-up ordinary shares + The shares reserved for exercise of offering together/attached with this the offered warrants)}}$ $= 347,000,000 / (694,000,000^* + 374,000,000)$ $= 33.33\%$ <p>* Total paid-up ordinary share of 628,166,118 shares + 65,833,882 new ordinary shares offered by way of private placement pursuant to previous resolutions of the extraordinary general meeting of shareholders.</p> <ul style="list-style-type: none"> • Price Dilution <p>After the issuance and offering of warrants to existing shareholders, and if the shareholders exercise the entire amount of warrants, the market price of</p>

ordinary shares will be diluted by 14.29%.

$$\begin{aligned} \text{Price dilution} &= \frac{\text{Market price before offering warrants}^* - \text{Market price after offering warrants}}{\text{Market price before offering warrants}} \\ &= (1.05 - 1.20) / 1.05 = - 14.29\% \end{aligned}$$

* The weighted average closing price of the Company's ordinary shares during the 15 days before the date of the Board of Directors' meeting on 10 August 2010 (July 19 – August 9, 2010) equals Baht 1.05 per share.

where Market price after offering warrants

$$\begin{aligned} &= \frac{[(\text{Market price before offering warrants} \times \text{Total paid-up ordinary shares}) + (\text{Market price after offering warrants} \times \text{The shares reserved for exercise of the offered warrants})]}{(\text{Total paid-up ordinary shares} + \text{The shares reserved for exercise of the offered warrants})} \\ &= \frac{(1.05 \times 694,000,000^*) + (1.50 \times 347,000,000)}{694,000,000^* + 347,000,000} \\ &= \text{Baht 1.20 per share} \end{aligned}$$

* Total paid-up ordinary share of 628,166,118 shares + 65,833,882 new ordinary shares offered by way of private placement pursuant to previous resolutions of the extraordinary general meeting of shareholders.

- **Earnings Dilution**

If all of the existing shareholders exercise the entire amount of warrants, the earnings dilution of the existing shareholders will not be affected by the issuance and offering to existing shareholders in proportion to their respective shareholding. However, If all of the persons who exercise the warrants are not existing shareholders, the earnings dilution of existing shareholders will be affected by 33.33%.

$$\begin{aligned} \text{Earnings per share dilution} &= \frac{\text{EPS before offering warrants} - \text{EPS after offering warrants}}{\text{EPS before offering warrants}} \\ &= (0.005 - 0.003) / 0.005 = 33.33\% \end{aligned}$$

$$\begin{aligned} \text{where EPS before offering warrants} &= \frac{\text{2009 Net profit}}{\text{Total paid-up ordinary shares}} \\ &= 3,274,184 / 694,000,000^* \\ &= \text{Baht 0.005 per share} \end{aligned}$$

$$\begin{aligned} \text{EPS after offering warrants} &= \frac{\text{2009 Net profit}}{(\text{Total paid up ordinary shares} + \text{The shares reserved for exercise of the offered warrants})} \\ &= 3,274,184 / (694,000,000^* + 374,000,000) \end{aligned}$$

	<p style="text-align: center;">= Baht 0.003 per share</p> <p>* Total paid-up ordinary share of 628,166,118 shares + 65,833,882 new ordinary shares offered by way of private placement pursuant to previous resolutions of the extraordinary general meeting of shareholders.</p>
Adjustment of right of warrant:	<p>The Company shall adjust the Exercise Price and the Exercise Ratio throughout the life of the warrants every time each of the following events occurs with the aim to protect the interests of the warrant holders:</p> <ol style="list-style-type: none"> 1. The Company changes the par value of its shares as a result of a split or consolidation of the issued shares of the Company. 2. The Company pays out whole or partial dividends by way of share dividends to the shareholders of the Company. 3. The Company offers to sell its newly issued shares to existing shareholders and/or public at a price per share lower than the market price of the Company's shares at the time of offering or lower than the market price prior to the offering period, being calculated as stated in the terms and conditions. 4. The Company offers to sell a newly issued convertible debentures or additional warrants by fixing their offering price, or by calculating the price of the newly issued shares reserved for the convertible debentures or additional warrants, lower than the Company's share price calculated in reliance on the market price of the Company ordinary shares at the time of offering or the market price prior to the offering period, being calculated as stated in the terms and conditions. 5. The Company pays dividends in excess of the rate as provided for in the terms and conditions. 6. Any other similar events to those in clauses 1 to 5 above which results in the deterioration of the interests of the holders of warrants. <p>The Board of Directors or any person assigned by the Board of Directors is authorised to determine the terms and conditions, and details of warrants, relating to the adjustment of conversion ratio and exercise price.</p>
Other Conditions:	<p>The Board of Directors or any person assigned by the Board of Directors is authorised to determine criteria, conditions, and other details related to the warrants. The said person(s) shall also be authorized to negotiate and sign any relevant documents and agreements and perform any other necessary actions related to the warrants including the issuance and offer, the listing on the MAI of the warrants and ordinary shares to be issued upon exercising the warrants, as well as to proceed with applications for the necessary approvals from the relevant regulators and authorities.</p>

Warrant	Thailand Securities Depository Company Limited
Registrar:	