

Preliminary details of Warrants to purchase ordinary shares of RS Public Company Limited Series 3 (RS-W3) allocated proportionally to the existing shareholders

Category of Warrants	:	Warrants to purchase ordinary shares of RS Public Company Limited Series 3 (RS-W3)
Type of Warrants	:	Transferable named certificate
Number of Offering Warrants	:	Not greater than 193,332,870 units (One hundred ninety three million three hundred and thirty two thousand eight hundred and seventy units)
Price per Unit	:	Baht 0 (zero) per unit
Tenor	:	3 years from the Date of the Issue of Warrants
Ordinary shares reserved for exercise of the Warrants	:	Not greater than 193,332,870 shares (par value Baht 1.00 per share) which is equal to 19.14 of the total issued shares of the Company as of 22 February 2017
Method of Allocation	:	Allocate to the existing shareholders at the ratio of 5 existing ordinary shares for 1 unit of Warrant. Any fraction of shares shall be disregarded. The determination the date on which the recorded shareholder is entitled to rights to allotment new warrants to purchase ordinary shares of the Company (RS-W3) to be on 18 April 2017 (Record Date) and the date on which the name list of shareholders is compiled under Section 225 of the Securities and Exchange Act B.E. 2535 (1992) by closing the share register book to suspend share transfers to be on 19 April 2017.
Date of Issue of Warrants	:	The date to be determined by the Board of Director or the Chief Executive Officer or the person(s) entrusted by the Chief Executive Officer after approved by the Shareholders Meeting.
Exercise Ratio	:	1 unit of Warrant for 1 ordinary share (except for any adjustment of rights)
Exercise Price	:	Baht 12.50 per share. However, a price adjustment may be made in accordance with the specified adjustment conditions.

Exercise Period : On the last Business Day of every April and October during 9.00 a.m. – 3.00 p.m. of each calendar year through the term of Warrant. The first Exercise Date is expected to be on 31 October 2017. The last Exercise Date will be on the three year from the issuance date. In case that the Exercise Date is not a Business Day of the Company, such Exercise Date shall be postponed to the last Business Day before the Exercise Date.

The Warrant holders who wish to exercise their right to purchase ordinary shares of the Company shall deliver a notification of the intention to exercise the Warrants during 9.00 a.m. – 3.00 p.m. within the period of 5 Business Day, Prior to each Exercise Date, except for the last Exercise Date

The Last Period of Declaration of Intention to Exercise Warrants : Not less than 15 Day prior to the Last Exercise Date

The Offering Period : The Company shall complete the issue of Warrants within 1 year from the date the shareholders' meeting approves the Issue of the Warrants. Additionally, the Board of Directors or the Chief Executive Officer or the person(s) entrusted the Chief Executive Officer shall be empowered to determine the conditions and details of Warrants later.

The Secondary Market for the Warrants : The Company shall apply to list the Warrants on the SET.

Secondary Market for the Ordinary Shares from the Exercise of Warrants : The Company shall apply to list the ordinary shares reserved for the Exercise of Warrants on the SET.

Other benefit. : The new ordinary shares derived from the exercise of the Warrants shall have the same rights and benefits as the previously issued and fully paid-up ordinary shares of the Company in every aspect.

Dilution Effect : The dilution effect to the Company's shareholders can be determined by 2 cases as follows:
Case 1) In case of the existing shareholders fully exercise the Warrants #3.

Case 2) In case the Warrants are fully exercised by others persons who are non- existing shareholders.

By determining the dilution effects to the Company's shareholders as follows:

1) Control Dilution

Control dilution can be calculated by the following formula

$$\text{Control dilution} = 1 - [Q_o / (Q_o + Q_w)]$$

By which

Q_o = The number of existing shares which are equal to 1,009,937,646 shares.

Q_w = The number of the new ordinary shares derived from the exercise of Warrants which is equal to 193,332,870 shares

Effect on Control Dilution

Existing shareholders will not be affected from the control dilution due to the Warrants #3 are proportionally issue to the existing shareholders. However, if the Warrants are fully exercised by non-existing shareholders, the existing shareholders will be affected from the dilution of control by 16.07%

2) Price Dilution

Price dilution can be calculated by the following formula

$$\text{Price dilution} = [(P_o - P_n) \times Q_w] / [(Q_o + Q_w) \times P_o]$$

By which

P_o = The weighted average closing price of the ordinary shares trading on SET for the period of 7 trading days before the date of Board of Directors' meeting No.1/2017 held on 22 February 2017 (Date 10-21 February 2017)

Which had the weighted average closing price of Baht 9.78 per share.

P_n = Exercise Price of the Warrants #3 is Baht 12.50 per share.

Effect on Price Dilution

After the issue of Warrants to the existing shareholders, if the Warrants are fully exercised, the share price will not be diluted.

3) Earnings Dilution

Earnings dilution can be calculated by the following formula

$$\text{Earnings dilution} = (\text{EPS}_o - \text{EPS}_n) / \text{EPS}_o$$

By which

$$\text{EPS}_o = \text{Net Profit} / Q_o$$

$$\text{EPS}_n = \text{Net Profit} / (Q_o + Q_n)$$

Effect on Earnings Dilution

Can't calculate the effect of a decrease earnings dilution, due to the operation result for the year 2016 was loss.

Adjustment of Exercise Price and Exercise Ratio : The adjustment of Exercise Price and Exercise Ratio will be made to maintain or increase the benefits of the Warrant holders. The adjustment of Exercise Price and Exercise Ratio will be made due to the following events:

1. The Company changes the par value of its ordinary shares as a result of consolidation or split of its issued ordinary shares.²
2. The Company issues new ordinary shares at the issued price lower than 90% of the market price of the Company's ordinary shares at the issuing period or before the issuing period of the new ordinary shares, which is calculated following the terms and conditions of the Warrants.
3. The Company issues new convertible debentures or Warrants, which gives rights to the holders to convert or purchase the ordinary shares of the Company at the price lower than 90% of the market price of the Company's ordinary shares at the issuing period or before the issuing period of the new convertible debentures or Warrants, which is calculated as specified in the terms and conditions of the Warrants.

4. The Company pays dividends, in whole or in part, in form of ordinary shares to shareholders of the Company.
5. The Company pays cash dividends more than the ratio specified in the terms and conditions of the Warrants.
6. Any events which is not mentioned in 1 through 5 that cause the rights or benefits of the Warrant holders to decrease.

Additionally, the Board of Directors or the Chief Executive Officer or the person(s) entrusted the Chief Executive Officer shall be empowered to determine the conditions and details of Warrants which is relevant to the adjustment of Exercise Price and Exercise Ratio.

The Implementation for the Remaining Warrants : The Company shall cancel all the remaining Warrants.

Other Conditions : The Board of Directors or the Chief Executive Officer or the person(s) entrusted by the Chief Executive Officer to determine criteria, conditions, and other details related to the Warrants. Said person(s) shall also be empowered to negotiate and sign in any relevant documents and agreements and perform any other necessary actions related to the Warrants including the issuance and offering, listing the reserved ordinary shares from the exercise of Warrants on the SET, as well as to proceed for the necessary approval from relevant authorities.

Warrant Registrar : Thailand Securities Depository Company Limited