

Indicative Features of Warrants to Purchase Ordinary Shares to Be Issued and Offered to Existing Shareholders and General Investors (UAC-W1)

Issuer	UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED (the “Company”)
Address	NO.1 TP&T BUILDING, FL 19, SOI VIBHAVADI RANGSIT 19, VIBHAVADI RANGSIT ROAD, CHATUCHAK SUB-DISTRICT, CHATUCHAK DISTRICT, Bangkok 10900
Name and Type of Warrant	Warrants with rights to purchase ordinary shares of UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED No.1 (“UAC-W1”) in named certificates and transferable
Tenor of the Warrants	3 years from the Warrants issuance date
Issuance Amount	Not to exceed 92,200,000 units (Ninety two million two hundred thousand units)
Number of Ordinary Shares Reserved for the Exercise of UAC-W1	Not to exceed 92,200,000 shares (with a par value of Baht 0.50 each) which shall not exceed 23.24 % of the total paid-up shares of the Company of 396,749,478 shares (in case the par value is changed from Baht 1.00 to Baht 0.50 each) The number of the above shares reserved for the exercise of UAC-W1 shall not exceed 50 % of the total issued shares of the Company in accordance with the requirement of relevant Notification of the Capital Market Supervisory Board.
Offering Price	Baht-0- (Nil)
Offering Method	UAC-W1 shall be issued and offered to: <ol style="list-style-type: none"> 1) Existing shareholders of the Company who names appear at the Record Date 2) Existing shareholders of the Company who subscribe for newly issued shares issued and offered for sale to existing shareholders pro rata to their shareholding 3) General investors who subscribe for newly issued shares
Allocation Method	UAC-W1 shall be allocated as follows: <ol style="list-style-type: none"> 1) Allocation of UAC-W1 to existing shareholders The Company will allocate UAC-W1 in the amount not to exceed 79,400,000 units to its existing shareholders whose names appear on the Record Date which will be later determined after it obtains an approval to issue and offer for sale of UAC-W1 from the Extraordinary General Meeting of Shareholders No.2/2012 to be held on 19 October 2012. UAC-W1 will be offered at free of charge to existing shareholders pro rata to their shareholding at the ratio of 5 existing ordinary shares to 1 unit of UAC-W1. Any fraction shall be disregarded. 2) Allocation of UAC-W1 to existing shareholders who subscribe for newly ordinary shares that are issued and offered for sale to existing shareholders pro rata to their shareholding and general investors who subscribe for newly ordinary shares

The Company will allocate UAC-W1 in the amount not to exceed 12,800,000 units to existing shareholders who subscribe for newly ordinary shares that are issued and offered for sale to existing shareholders pro rata to their shareholding and general investors who subscribe for newly ordinary shares at the ratio of 5 newly issued shares to 1 unit of UAC-W1. Any fraction shall be disregarded.

Exercise Ratio	1 unit of warrant for 1 ordinary share (the exercise ratio may be later adjusted under the conditions of rights adjustment.)
Exercise Price	Baht 7.50. In case of adjustment of the exercise price, the new exercise price of UAC-W1 after such adjustment shall, in any event, not be less than par value of the Company's ordinary share (after a change in par value).
Exercise Period	<p>The warrant exercise dates are the last business day of March, June, September and December of each calendar year throughout the tenor of UAC-W1.</p> <p>Unexercised warrants at any exercise date shall be accumulated and eligible for being exercised at the next exercise date throughout the warrant term. However, in case the warrants remain unexercised at the maturity date, the said unexercised warrants shall be terminated and void.</p> <p>The last exercise date shall be the date which is the 3rd anniversary from the issuance and offering date of UAC-W1. In case the last exercise date is not a business day of the Company, the said last exercise date shall be changed to the last business day of the Company prior to the maturity date of UAC-W1.</p>
Period for Notification of Intention to Exercise UAC-W1	Within 14 days prior to each exercise date throughout the tenor of UAC-W1
Last Period for Notification of Intention to Exercise UAC-W1	Not less than 15 days prior to the last exercise date of UAC-W1
Conditions of Exercising UAC-W1	Shall comply with the Terms and Conditions Governing Rights and Obligations of the Warrant Issuer and Holders of the Warrants to Purchase Ordinary Shares of the Company which will be determined after the Company obtains an approval to issue and offer for sale of UAC-W1 from its meeting of shareholders.
Reasons to Increase New Ordinary Shares for Adjustment of Exercise Rights	To accommodate changes of exercise price and exercise ratio on events of warrant rights adjustment under the terms and conditions of UAC-W1. These warrant rights adjustment events are events stipulated in the relevant Notification of the Capital Market Supervisory Board.
Offering Period	UAC-W1 shall be offered to the Company's existing shareholders, existing shareholders and general investors who subscribe for the Company's newly ordinary shares within 1 year from the date on which the meeting of shareholders approves the issuance and sale of UAC-W1. The Board of Directors and/or the Managing Director and/or the person (s) entrusted by the Board of Directors and/or the Managing Director shall consider and determine the conditions and

	details of offering thereafter.
Secondary Market of the Warrants	The Company shall apply for listing of UAC-W1 on the Market for Alternative Investment (mai).
Secondary Market of Newly Issued Shares	The newly issued shares from the exercise of right under UAC-W1 shall be listed on the Market for Alternative Investment (mai).
Irrevocability of Notification of Intention to Exercise UAC-W1	Once a warrant holder has served a notification of intention to exercise the right under UAC-W1, the said warrant holder is not allowed to revoke such intention.
Warrants Registrar	The Thailand Securities Depository Co., Ltd. (TSD)
Rights and Other Interests of the Newly Issued Ordinary Shares	The newly issued shares pursuant to the exercise of UAC-W1 shall have the same rights and status as all other ordinary shares of UAC previously issued in all aspects.
Conditions concerning the Adjustment of the Exercise Ratio and Exercise Price	<p>The Company shall adjust the exercise price and exercise ratio throughout the tenor of UAC-W1 to ensure the benefits of the holders of UAC-W1 are not less favorable in the case when any of the following events occurs:</p> <ol style="list-style-type: none"> 1) The Company changes the par value of the ordinary shares due to a consolidation or split of the ordinary shares; 2) The Company offers newly issued ordinary shares to the existing shareholders on right offering basis, and/or on public offering and/or on private placement basis at a price lower than 90 % of the price calculated based on the market price; 3) The Company offers any newly issued securities on right offering basis, and/or on public offering and/or on private placement basis that are convertible/exchangeable into ordinary shares (i.e. convertible bonds or warrants to purchase ordinary shares) for which the offering price of such newly issued ordinary shares is lower than 90 % of the price calculated based on the market price; 4) The Company makes all or partial dividend payment by way of issuing new ordinary shares to shareholders; 5) The Company pays cash dividend that exceeds 50 % of total net profit after taxes for any operating year during the tenor of UAC-W1. 6) There are any other events similar to those mentioned in 1) to 5) above that may impair benefits of holders of UAC-W1. <p>The Board of Directors and/or the Managing Director and/or the person (s) entrusted by the Board of Directors and/or the Managing Director is authorized to consider fixing other conditions and details related to adjustment or changes in the exercise ratio and exercise price.</p>
Other Conditions	The Board of Directors and/or the Managing Director and/or the person (s) entrusted by the Board of Directors and/or the Managing Director are empowered

to determine criteria, conditions and other details related to UAC-W1 including but not limited to having the power to negotiate, agree and sign any relevant documents and agreements and to perform any other necessary actions related to UAC-W1 including issuing, offering and listing the ordinary shares from the exercise of UAC-W1 on the Market for Alternative Investment (mai).

Effects to Shareholders

See Attachment 1 of this Indicative Features of UAC-W1

Attachment 1: Dilution Effects

As the Company would issue and offer for sale newly increased shares and UAC-W1 to its existing shareholders and general investors, the dilution effects will be as follows:

1. Control Dilution

$$\text{Control Dilution} = 1 - [(Q_O + Q_{RO} + Q_{WE}) / (Q_O + Q_{RO} + Q_{WE} + Q_{PO} + Q_{WN})]$$

Where

Q_O = Number of existing paid-up shares which is 396,749,478 (at a par value of Baht 0.50 each) as of the date of the meeting of the board of directors held to consider and approve issuance of newly increased shares and UAC-W1 which is 14 September 2012

Q_{RO} = Number of newly increased shares to be issued and offered for sale to existing shareholders pro rata to their shareholding. Based on the assumption that existing shareholders fully subscribe for all the said shares, Q_{RO} is 39,700,000 (at a par value of Baht 0.50 each)

Q_{WE} = Number of newly increased shares reserved for the exercise of UAC-W1 to be issued and offered for sale to existing shareholders pro rata to their shareholding and to existing shareholders who subscribe for newly increased shares, the total amount of which is 87,340,000 (at a par value of Baht 0.50 each)

Q_{PO} = Number of newly increased shares to be issued and offered for sale to general investors. Based on the assumption that general investors fully subscribe for all the said shares, Q_{PO} is 24,300,000 (at a par value of Baht 0.50 each)

Q_{WN} = Number of newly increased shares reserved for the exercise of UAC-W1 to be issued and offered for sale to general investors who subscribe for newly increased shares, the total amount of which 4,860,000 (at a par value of Baht 0.50 each)

Thus,

$$\begin{aligned} \text{Control Dilution} &= 1 - [(396,749,478 + 39,700,000 + 87,340,000) / (396,749,478 + 39,700,000 + 87,340,000 + \\ &\quad 24,300,000 + 4,860,000)] \\ &= 5.27\% \end{aligned}$$

2. Earnings Dilution

$$\text{Earnings Dilution} = (\text{EPS}_O - \text{EPS}_N) / \text{EPS}_O$$

Where

$$\text{EPS}_O = \text{Total net profit} / (Q_O + Q_{RO} + Q_{WE})$$

Total net profit is determined based on the Company's net profit over the last 4 quarters (from Q.3/2011-Q.2/2012) which is Baht 91.70 million. In determining EPS_O , it is also assumed that existing shareholders fully subscribe for newly increased shares to be issued and offered for sale to them pro rata to their shareholding and fully exercise UAC-W1 to which they are entitled

$$EPS_O = 0.175 \text{ Baht/share}$$

$$EPS_N = \text{Total net profit} / (Q_O + Q_{RO} + Q_{WE} + Q_{PO} + Q_{WN})$$

$$= 0.166 \text{ Baht/share}$$

$$\text{Earnings Dilution} = (0.175 - 0.166) / 0.175$$

$$= 5.27 \%$$

3. Price Dilution

$$\text{Price Dilution} = (P_O - P_N) / P_O$$

Where

$P_O = 5.11$ Baht/share (at a par value of Baht 0.50 each) which is the average closing price of the Company's shares traded on the Market for Alternative Investment (mai) for 7 consecutive trading days prior to the date of the Company's meeting of board of directors held on 14 September 2012 in which the board of directors reached a resolution to propose for consideration and approval by the meeting of shareholders the issuance and offering for sale newly increased shares and UAC-W1 (5-13 September 2012)

$$P_N = \text{the market price after offering} = [(\text{Market price prior to offering} \times \text{Number of paid-up shares}) + (\text{Exercise price of UAC-W1} \times \text{Number of shares reserved for exercising of UAC-W1})] / (\text{Number of paid-up shares} + \text{Number of shares reserved for exercising of UAC-W1})$$

Where

Market price prior to offering	= Baht 5.11/share
Number of paid-up shares	= 396,749,478 shares
Exercise price of UAC-W1	= Baht 7.50 บาท (at a par value of Baht 0.50 each)
Number of shares reserved for exercising of UAC-W1	= 92,200,000 หุ้น
P_N	= $[(5.11 \times 396,749,478) + (7.50 \times 92,200,000)] / (396,749,478 + 92,200,000)$ = Baht 5.56 per share

As $P_O < P_N$, there is no price dilution in issuance and offering for sale of UAC-W1. Note that the Company may issue and offer for sale of newly increased shares to existing shareholders pro rata to their shareholding and general investors at a price lower than the market price, there may be some degree of price dilution to existing shareholders.