



IEC
since 1922

The International Engineering Public Company Limited



Annual Report 2018





The International Engineering Public Company Limited

Vision

IEC's vision is to become the leader renewable energy technology and other related businesses using the combination of highly capable personnel, technologies and management.

Mission

IEC's mission is to operate business as well as promoting operation in accordance with the principle of corporate governance and stakeholder responsibility. We seek to develop and improve upon administration, product and service systems to increase their value using innovations. We also promote learning in order to bolster business efficiency, emphasizing on renewable energy using waste-to-energy power plant as well as integrated plastic recycling and renewable energy system. Lastly, we also seek to adapt to the changing business environments in order to become a modern organization, both on domestic and international standard.

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Message from CEO

I have assumed the office of Chief Executive Officer of The International Engineering Public Company Limited on 29 October 2018 while the Company is undergoing severe hardship in business operation due to the financial illiquidity plaguing the Company since 2016. However, since the company's registration of capital increase with the Ministry of Commerce was approved during October 2018, me and the board of directors have laid out a roadmap to remedy several problems including:

- Repay trade payable to ensure true financial liquidity.
- Make improvement to the equipment in order to increase production capacity up to a satisfactory level, such as:
 1. The biomass power plant at Sakaeo province had its equipment and pressure part system serviced so they may operate at greater efficiency.
 2. GIDEC's waste-to-energy power plant also had its equipment serviced at the end of last year and on January 2019. The Company was authorized to sell more electricity, increasing the original production capacity from 5.4 MW to 6.5 MW.
 3. Replace damaged solar cell panels at solar power plant to maximize energy production.
 4. Increased value of projects in ICT business division to expand the Company's business foundation and seek further opportunities.

The questionable transparency of business operation in the past resulted in legal disputes and in turn, resulted in a great delay and difficulty in audit process. However, the company managed to resume auditing of its finance from the year 2016 up until now and expected to complete in 2019. In addition, the Company had its administration restructured to be succinct in order to effectively control the expenses.

As for the future plan, the Company is studying for new business opportunities with worthwhile return on investment as well as expanding upon the existing energy business, such as pyrolysis business and solar rooftop power plant as well as nurturing the organization to be grow sustainably into the future.



Mr. DUMRONG PUTIPUT
Chief Executive Officer

Financial Highlights

	Q3/2016	2015	2014	2013
Total Asset	4,570.33	4,480.41	3,891.17	2,597.68
Account Receivables (Net)	113.76	68.66	311.95	162.36
Total Liabilities	1,400.26	1,118.65	1,031.47	930.34
Total Equity	3,170.07	3,361.76	2,859.69	1,667.35
Total Revenue	296.59	265.17	459.69	759.91
Total Expenses	363.82	204.69	216.80	174.80
Net Profit (Loss) After Tax (Consolidated)	-589.61	-5.9	-16	60.90
Net Profit (Loss) After Tax (The company)	-1,525.82	37.14	22.34	100.86
Earning Per Share	0.00	0.00	0.00	0.00
Net Profit Margin (%)	-199%	-2.23%	3.43%	8.09%
ROE (%)	19%	-0.18%	0.55%	3.69%
ROA (%)	-13%	-0.13%	0.41%	2.37%
Debt to Equity (time)	0.44	0.33	0.36	0.56
Interest Coverage Ratio (time)	-15.08	0.61	-0.01	2.41
Total Asset Turnover (time)	6%	6%	0.12	0.29

Company History

The International Engineering Public Company Limited (“the company” or “IEC”) was established in 1922 with the objective to construct the Bangkok-Aranyaprathet Railway. IEC registered as a Thai national company in 1953 with a registered capital of 10 million baht. In 1965, IEC was appointed as a “Royal Appointment” company and conferred a “garuda charter” under the royal permission. In 1983, Siam Cement PCL (SCG) invested and took full control of IEC operations; IEC accordingly became an affiliate of the Siam Cement Group. In 1990, Siam Cement PCL changed its investment policy prompting IEC’s management to invest in itself, and acquired new investors. Joined by a group of additional investors, IEC management increased the registered capital to 120 million baht. In 1992, the company was listed in the Communication Sector of the Stock Exchange of Thailand (SET). In 1993, IEC became a “Public Limited Company” and the registered capital has been raised continually.

With the community growth, huge increase in demand for electricity and waste management was foreseen. In order to respond to these needs, energy business and other relevant business had been initiated. By 2018, the company’s operations consist of four business groups including (1) Energy Business: Solar Power Plant, Waste-to-Energy Power Plant, Biomass Power Plant (2) Recycled Plastic Pellets from Waste Plastic (3) Information and Communication Technology and (4) Engineering Consulting.

On July 4, 2016, IEC was re-categorized by SET from “Information & Communication Technology” to “Resources-Energy & Utilities”.

Significant Changes and Development related to business operation and management during 2016 – 2018

April 25, 2016 : IEC's 2016 AGM dated April 25, 2016 had the following significant resolutions:

- (1) Approve the reduction of the Company's registered capital from THB 2,048,245,850 to THB 2,033,954,212.50 by cancelling 1,429,163,750 unsubscribed shares.
- (2) Approve the increase of the Company's registered capital by THB 406,790,842.50 from THB 2,033,954,212.50 originally to the new total of THB 2,440,745,055 by issuing new 10,679,084,250 ordinary shares at the par value of THB 0.01 each.
- (3) Approve the issuance and allotment of no more than 40,679,084,250 units of IEC-W2 warrants to purchase IEC's ordinary shares no more than which will be issued and offered to the existing shareholders at the ratio of 5 existing shares to 1 IEC-W2. This is a free allotment of IEC-W2 and has life of 3 years from the date of issuance.
- (4) Approve the issuance and allotment of no more than 40,679,084,250 new ordinary shares at the par value of THB 0.01 each to accommodate the exercise of IEC-W2 conversion.

April 27, 2016 : The company invested in purchasing 500,000 ordinary shares of Nongree Power Plants Co., Ltd., the operator of a biogas power plant project located in Nongree Sub-district, Bo Ploy district, Kanchanaburi province, which was equivalent to 100 percent of the paid – in capital of the aforementioned company.

- May 11, 2016 : IEC Sakaeo 1 Co.,Ltd. (“SK1”), which is currently 100% subsidiary of the company became bankrupted by the receiving order of Central Bankruptcy Court : Undecided Case No.Lor. 3152/2557 and Decided Case No.Lor. 1245/2559. In the case between KS Distribution (Thailand) Ltd. (“KS”), the plaintiff creditor and IEC Sakaeo 1 Co.,Ltd., the debtor, the court made a receiving order against the debtor on May 11, 2016. However, the fact that Kaeo Lum Duan Power Supply Co.,Ltd.(former name of SK1) under the management of previous shareholder group was sued by KS in a bankruptcy case of Central Bankruptcy Court on October 31, 2014 was never revealed to IEC. On July 1, 2016, SK1 under the management of IEC requested the Central Bankruptcy Court to revoke the trial process and receiving order. On September 15, 2016, the Central Bankruptcy Court revoked the trial process in the aforementioned bankruptcy case, revoked the receiving order, and struck the case out of the case list. Therefore, SK1 is not under a receiving order by any means.
- May 30, 2016 : The Company invested in purchasing all the rest of the ordinary shares of IEC Sakaeo 1 Co.,Ltd. (formerly Kaeo Lum Duan Power Supply Co.,Ltd.), totally 1,000,000 shares, which is equivalent to 25 % of the paid-in capital of the aforementioned company. Consequently, the aforementioned company became 100% subsidiary of the company.
- July 4, 2016 : The company’s business has been re-categorized by the Stock Exchange of Thailand from “ Information & Communication Technology” to “Resources – Energy & Utilities” since July 4, 2016
- August 15, 2016 : The Stock Exchange of Thailand marked the company as SP as it was unable to timely submit the financial statement of Quarter 2 Year 2016.

- December 19, 2016 : The Company sold all the shares in IEC Mae Ramat Co.,Ltd.
(formerly Superdream Power Ltd.),totally 1,049,898 shares, which is equivalent to 99.99 of the paid- in capital of the aforementioned company.
- October 20, 2017 : IEC's EGM No.1/2017 dated October 20, 2017 had the following significant resolutions:
- (1) Approve the reduction of the Company's registered capital from THB 2,440,745,055 to THB 2,440,661,250.76 by cancelling 8,380,424 unsubscribed shares.
 - (2) Approve the increase of the Company's registered capital by THB 2,035,915,023.50 from THB 2,440,661,250.76 originally to the new total of THB 4,476,576,274.26 by issuing new 203,591,502,350 ordinary shares at the par value of THB 0.01 each.
 - (3) Approve the allotment and offering of the Company's 203,591,502,350 new ordinary shares at the par value of THB 0.01 via right offerings at the ratio.
- February 26, 2018 : The Company have sold all the investment in Nongree Power Plants Co., Ltd, totaling 500,000 shares which is equivalent to 100 % of the paid-in capital of the aforementioned company.
- March 15, 2018 : IEC Green Energy Co., Ltd, the Company's subsidiary, purchased the remaining ordinary shares of GIDEC Co., Ltd. ("GIDEC") totaling 2,000,000 shares which is equivalent to 50% of the paid-in capital of the aforementioned company, resulting in IECG owning 100% of GIDEC's shares.

Board of Directors



Mr. Komol Jungrungruangkit
Chairman (1)
Director

Effective Date : (1) 20 September 2018



Mr. Santichai Teowsomboonkij
Vice Chairman



Mr. Metha Thamviharn
Chairman of the Audit Committee
Independent Director



Mr. Sakda Sinives
Audit Committee
Independent Director



Mr. Chatchawan Hasuwannakit
Audit Committee
Independent Director



Mr. Dumrong Putiput
Director
Chief Executive Officer(1)
Effective Date : (1) 29 October 2018



Mr. Pongkawin Junrungruangkit
Director(1)
Chairman (2)
Chief Executive Officer (3)
Effective Date : (1) Ending 20 September 2018
(2) Ending 20 September 2018
(3) Ending 29 October 2018



Mr. Apichet Paiboonpan
Director



Mr. Pornthep Itsoponpun
Director



Lt. Gen Jadet Jaimun
Director
Independent Director



Lt. Gen Wattana Petchmongkol
Director



Mr. Poorich Nanawaratorn
Director

Executive Management



Mr. Dumrong Putiput
Chief Executive Officer
Effective: 29 October 2018



Mr. Pongkawin Jungrunruangkit
Chief Executive Officer
Effective: Ending 29 October 2018



Mr. Apichet Paiboonpan



Miss Reathairat Thongiarean



Mr. Varin Maschai



Miss Duangjai Nilapan



Mr. Somchai Wuttisart



Miss Duangporn Kumwichit

*Please see the Details in the Executive management

IEC's Business Structure and Investment in Subsidiaries

The company's and its subsidiaries' policy and operational sectors: The International Engineering Public Company Limited (IEC) has categorized its business, in 2018, into 4 groups as follows.

(1) Energy Business

- 1.1 Solar Power Plant under the management of IEC Mae Tha Mae Taeng Co., Ltd.,
a subsidiary of the company.
- 1.2 Waste-to-Energy Power Plant under the management of GIDEC Co., Ltd.,
- 1.3 Biomass Power Plant under the management of IEC Sakaeo 1 Co., Ltd.,
a subsidiary of the company.

(2) Recycled Plastic Pellet from Waste Plastic

Recycled Plastic Pellet from Waste Plastic under the management of IEC.

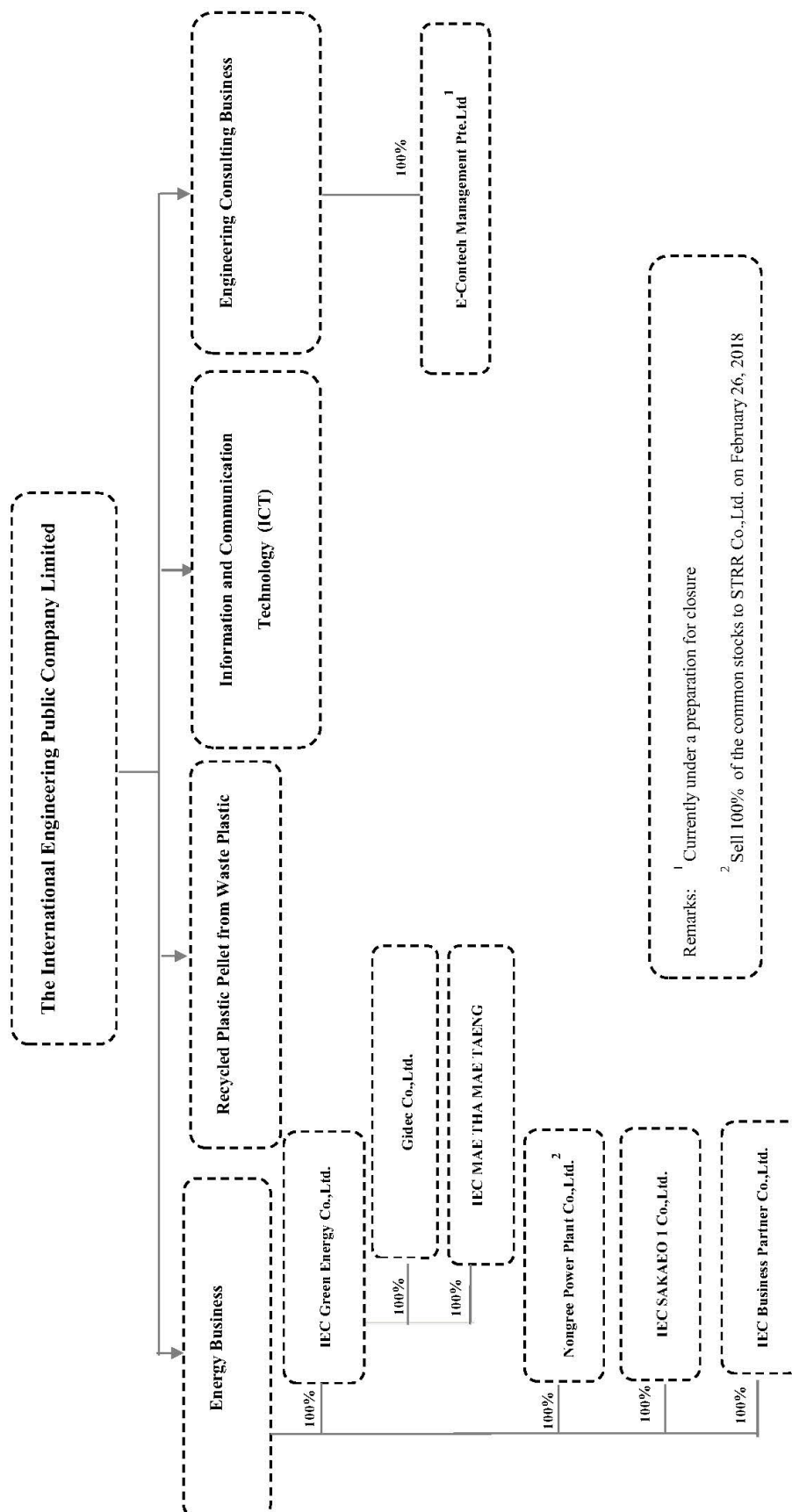
(3) Information and Communication Technology (ICT)

ICT: Provision of services related to information technology under the role of System Integrator in collaboration with alliances in bidding for government projects and private.

(4) Engineering Consulting

As of now all the projects in this business group have been completed in the end of 2015 and no more new projects in the year 2018. The company is considering cancellation of this business group.

IEC's Business Structure



Other Subsidiaries

Subsidiary	Type of Business	Registered Capital (million baht)	Remark
<u>1. Officially Dissolved Company</u> - Mae Taeng Solar Co., Ltd.	Generating solar Energy	15	On January 6, 2014, the company officially dissolved the operation and reported to the registrar of Department of Business Development, Ministry of Commerce, and registered for completeness of liquidation on April 21, 2015.
<u>2. Disposal of subsidiaries</u> - IEC Mae Ramat Co., Ltd.	Generating solar Energy	105	The Board of Directors Meeting No. 17/2559 approved to divest IEC Mae Ramat Co., Ltd. on December 19, 2016.
<u>3. Officially Dissolved Company</u> - NFS (2010) Co., Ltd.	Mobile phone and accessories wholesale/retail (Nokia Shop)	16	On March 20, 2018, the company officially dissolved the operation and reported to the registrar of Department of Business Development, Ministry of Commerce, and registered for completeness of liquidation on January 4, 2019.

Relationship with major shareholders' business groups

- None -

Each business group's revenue proportion and subsidiaries' revenue structure

	% Share	Quater 3/2016		Year 2015		Year 2014		Year 2013	
		Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
The Company's Products and Services									
<i>Information Technology</i>		14.18	2.87	42.56	7.00	239.12	46.66	52.21	6.74
<i>Mobile Phones</i>		-	-	-	-	-	-	1.19	0.15
<i>Engineering Products</i>		-	-	-	-	-	-	0.12	0.02
<i>Other Revenue</i>		33.33	6.76	106.55	17.53	46.76	9.12	11.57	1.49
Total Distribution Value		47.51	9.63	149.11	24.53	285.88	55.78	65.09	8.40
Energy Business Group									
<i>IEC Green Energy Co., Ltd.</i>	100	89.40	18.12	44.11	7.26	0.15	0.02	0.07	0.01
<i>GIDEC Co., Ltd.</i>	50	142.05	28.79	130.37	21.45	1.06	0.21	0.26	0.03
<i>IEC Mae Tha Mae Taeng Co., Ltd.</i>	100	55.41	11.23	77.42	12.74	59.90	11.69	10.10	1.31
<i>IEC Mae Ramat Co., Ltd.</i>	100	55.43	11.23	85.99	14.15	86.65	16.91	1.27	0.16
<i>IEC Sakaeo 1 Co., Ltd.</i>	100	103.35	20.95	116.63	19.19	35.14	6.86	-	-
<i>IEC Business Partners Co., Ltd.</i>	100	-	-	0.07	0.01	0.65	0.13	316.37	40.86
Total Revenue of Energy Business Group		445.64	90.32	454.58	74.80	183.55	35.82	328.07	42.37
Information Technology Business Group									
<i>IEC Technology Co., Ltd.</i>	100	-	-	-	-	5.91	1.15	5.87	0.76
<i>IEC Distribution System Co., Ltd.</i>	100	-	-	-	-	-	-	1.87	0.24
<i>NFS (2010) Co., Ltd.</i>	100	-	-	0.01	-	-	-	16.72	2.16
<i>ISD (2012) Co., Ltd.</i>	100	-	-	-	-	-	-	356.73	46.07
Total Revenue of Information Technology Business Group		-	-	0.01	-	5.91	1.15	381.19	49.23
Engineering Consulting Business Group									
<i>E-Contech Management Pte. Ltd.</i>	100	0.25	0.05	4.08	0.67	37.14	7.25	-	-
Total Revenue and Its Subsidiaries		493.40	100	607.79	100.00	512.48	100.00	774.35	100.00

Business group

Energy Business



Solar Power Plant



Waste to Energy



Biomass Power

Recycled Plastic Pellet from Waste Plastic



ICT



Engineering Consulting*



*Currently under a preparation for closure

Nature of Business

The company's operations consist of four business groups including (1) Energy Business: Solar Power Plant, Waste-to-Energy Power Plant, Biomass Power Plant (2) Recycled Plastic Pellets from Waste Plastic (3) Information and Communication Technology and (4) Engineering Consulting.

1. Energy Business

Power production from renewable energy such as solar, waste, biomass, biogas, etc. Renewable energy is used in the power production where the feedstock can be locally sourced. The company foresaw such significance and began operating renewable energy business, including conducted researches in order to enhance the efficiency of renewable energy usage for an increase of economic benefits. At present the company operates power plants using renewable energy in many forms such as solar power plant, waste-to-energy power plant, biomass power plant.

1.1 Solar power plant business

Characteristics of products and services

The solar power plant is a type of business with no complexity in operations. It also has strengths regarding raw materials for production. Since solar energy is unlimited and there is no combustion in the production process, it does not impact the environment. Besides, the public sector's policy supports the buying price of electricity. This leads to a high stability of business.

All 2 solar power plants of the company are of Grid type which are able to convert direct current (DC) into alternating current (AC) that can be connected to the generating system of Provincial Electricity Authority.

The solar power plants of the company have 4 power purchase agreements (PPA) with Provincial Electricity Authority. The total power report capacity is 3.84 MW. The plants are operated by its following subsidiaries.

Operating Subsidiary	Location	COD ¹	Duration of Acquisition of Adder		Installed capacity (Total) ² MW	Power Report capacity (Total) MW
			Duration	Remaining time (From Dec 2016)		
IEC Maetha Mae Taeng Co., Ltd. - Solar Power Plant <i>Lampoon 1,2</i> - Solar Power Plant <i>Mae Malai 1,2</i>	Takat sub-district, Maeta district, Lampoon province	Sep 23, 2013	10 years	5 years 9 months	2.638	1.92
	Keelek sub-district, Mae Taeng district, Chiang Mai province	Jun 30, 2014	10 years	6 years 6 months	2.304	1.92
Total produced power					<u>4.942</u>	<u>3.84</u>

¹ COD : Commercial Operation Date

² The total installed capacity by Electricity Generation License 1.152 MW/Project

- **Solar power plant, Maetha district, Lampoon province**

The installed capacity of power production is 2.638 MW in total with the use of thin-film solar cell panel from Solar Frontier (Model SF 140S) made in Japan, power inverter (DC/AC) from SMA (Model STP 17000 TL-EE-10), string inverter type made in Germany. Voltage is converted by transformer and generated to 22 kV cables with quality approved after the test made by Provincial Electricity Authority.

- **Solar power plant, Mae Malai district, Chiang Mai province**

The installed capacity of power production is 2.304 MW in total with the use of crystalline silicon solar panels from JA Solar (Model JAP6 60 250) made in China, power inverter (DC/AC) from SMA (Model STP 20000 TL-EE-10), string inverter type made in Germany. Voltage is converted by transformer and generated to 22 kV cables with quality approved after the test made by Provincial Electricity Authority.

- **Solar power plant, Mae ramat district, Tak province (divested in December 2016)**

The installed capacity of power production is 6.30 MW in total with the use of crystalline silicon solar panels from JA Solar (Model JAP6 60 250) made in China, power inverter (DC/AC) from SMA (Model STP 20000 TL-EE-10), string inverter type made in Germany. Voltage is converted by transformer and generated to 22 kV cables with quality approved after the test made by Provincial Electricity Authority.

Marketing and Competition

The distribution of electricity operated under Power Purchasing Agreement – PPA with the Provincial Electricity Authority, which will be effective for 5 years and will be automatically renewed every 5 years. The agreement shall be effective until the electricity producer submits a notification to the Provincial Electricity Authority, indicating their intention to terminate the trade of electricity.

Therefore, it ensures the stable revenue from electricity sales with no marketing competition.

Product Supply and Service

Solar cell or Photovoltaic system consists of 5 important parts.

(1) PV module that converts solar energy to electrical energy in the form of direct current (DC) by using several PV Module connected to other ones to obtain the electrical power as required.

(2) Inverter that converts the produced direct current (DC) to alternative current (AC).

(3) Main Distribution Board that controls the electricity generation and cut low-voltage three-phase system.

(4) 22kV Step up Transformer that shifts the three-phase voltage to be equal to the transmission system of the Provincial Electricity Authority.

(5) 22kV Switch Gear that connects/cuts the electricity system of power plant and transmission system of Provincial Electricity Authority.

The company's solar power plants were installed with the main electrical equipment that meets quality standards and is warranted by the manufacturer. All equipment, both domestically produced and imported, has passed the test in accordance with the Provincial Electricity Authority requirements. The equipment includes PV Module imported from Japan and China, inverters imported

from Germany, transformers manufactured in Thailand. We believe that all of the company's solar power plants are capable of producing good quality of electricity as required by the customers.

Project not submitted - None-

1.2 Waste to Energy Power Plant

Characteristics of products and services

The increase of waste volume causes problems in waste management. Although the landfill method which is currently used needs the lowest investment, it impacts the community in pollution and scenery aspects. At present, building a new landfill site is difficult because of the opposition from community locals. The local public sectors are unavoidably facing problems in planning waste management.

The company recognizes the problems and business opportunities. Therefore, the company has studied the technologies related to waste disposal and waste-to-energy, which can become the company's major business in the future, from which the company can gain stable and sustainable returns, despite the recent technical and pollution issues.

The company has formed a joint venture with Electricity Generating Public Company Limited or EGCO to run projects related to electricity generation from waste energy under a company named Gidec Co., Ltd. We constructed a waste disposal plant to transform waste to energy with the maximum installed capacity of 7.0 MW and the maximum capacity to produce electricity to Provincial Electricity Authority of 6.5 MW (Adder price is fixed at 3.50 baht/unit for a period of 7 years) according to electricity sales agreement with Provincial Electricity Authority. The agreement became effective upon the day that both parties mutually signed the contract. The effective duration of the contract is 5 years and shall be automatically renewed every 5 years from the commercial operation date December 11, 2014.

The meeting of the board of directors of IEC Green Energy No.4/2018 dated 15 March 2018, the full subsidiary of The International Engineering Public Company Limited, as approved by the Company's BOD meeting No.2/2018 dated 26 February, resolved to approve IECG purchase of GIDEC Co., Ltd.'s ordinary shares, a subsidiary of IECG, from EGCO, resulting GIDEC becoming wholly-owned subsidiary of IECG.

The waste-to-energy plant of the company is located at Hat Yai district, Songkla province. It is the first waste-to-energy plant with ash-melting gasification in Thailand, operating with high technologies developed and generally accepted in Europe. The plant use the construction technology from Finland. The company signed a waste management agreement with Hat Yai for Municipality for the duration of 25 years and 12 local administration offices in Songkhla. Over 250 tons of waste are transferred to the company every day to produce energy. Such quantity of waste is enough to be used as the burning materials to produce electricity with full potential.

Marketing and Competition

The implementation of renewable energy project is different from the implementation of other businesses as it is a project that has an impact on the community and society as a whole. The company's partner of contract is local administration offices that are responsible for the maintenance of the environment and their community. The implementation needs to start from bidding the project in accordance with the government's regulations. Once we have been selected, we can proceed this project as agreed with the local administration offices according to the terms and conditions throughout the contractual effective period.

However, the company is also committed to have a smooth operation. The company also have prepared the budget for Corporate Social Responsibilities (CSR) and build a good relationship with the local community. In addition, The company has been creating jobs and income for local people and aimed at creating a better communication between the company and community for Industrial Peace.

Product Supply and Service

The waste management begins from receiving daily waste from the community, bringing waste to sorting system, then grinding them to form the required size and at the same time reduce/control the humidity. Then, the grinded waste will be put in a Gasifier to dispose the waste and transform it to be heat energy for the steam generator system (Boiler) as an energy source of Turbine Generators to produce electricity.

The project was designed as we are aware of the importance of environment preservation. There is control and treatment system for air, water pollutions and waste. For air pollution treatment, the system is equivalent to European standard (EU Standard). The wastewater treatment system consists of wastewater treatment pond that meets the standard of the Department of Industrial Works, where treated water is used in the process.

The goal is to make this project a model with the use of modern technology and appropriate management, which are environmentally friendly. We also promote the waste management in the community that is consistent with hygienic principles. The project is well supported by both the contract partner which is Hat Yai municipality, Songkla province, and the locals in the community who welcomed and helped us to sustainably solve the problems of waste. This project has many supporting factors such as the location which is in the same area as the landfill of the contract partner. It means that the supply of resource will be stable in a long run, and it ensures the stability of operation as well.

Project not submitted - None-

1.3 Biomass Plant Business

Characteristics of products and services

The electricity production with biomass technology is the production with direct-fired system. The system uses the biological resource such as wood barks or wood chips to burn and transfer the heat to the steam boiler. As a result, we get very high temperature and high pressure steam. It will drive the steam engine that is connected to the electricity generator, which will produce the electricity.

For biomass power plant which is operated by its subsidiary named IEC Sakaew 1 Co., Ltd.: SK 1 (formerly Kaeow Lumduan Power Supply Co., Ltd.: KPS is a power plant with a total capacity of 9.9 MW with the use of wood chips, wood barks, palm bunches, and bagasse as the feedstock in the production, which can sufficiently be acquired within the province.

SK 1 entered into a Power Purchase Agreement (PPA) with the Provincial Electricity Authority for 8 MW (non-firm type). For this PPA, SK 1 shall be entitled to Adder for small power producers at 0.30 baht per kW-hour for 7 years. SK 1 commenced its commercial activities on the April 10, 2013. Therefore, the income of SK 1 shall be in accordance with a standard PPA. It will be calculated as per the electricity units sold under this PPA.

SK 1 has been entitled to change the electricity selling price system from Adder to FiT (Feed-in-Tariff) since March 2016 for the duration of 17 years.

Marketing and Competition

Implementation of such power plant is different from other type of business as the business has only one customer i.e. Provincial Electricity Authority, a trustworthy public agent. When the project starts operating for commercial purpose, the produced power can be sold to PEA as per the PPA.

Product Supply and Service

The main raw material for SK 1's production of electricity includes agricultural waste such as palm bunches, wood chips, wood barks, and bagasse which can be found throughout the year within Sakaew province. Many wood companies can send the raw materials to SK 1. Palm bunches can be found throughout the year but the price depends on the market and season, whilst palm production depends on the reaping season. The feedstock vendors shall be responsible to supply feedstock as previously agreed to SK 1.

Daily feedstock demand

The daily feedstock demand depends on the mode of machine operation in order to achieve the required volume of electricity (8 MW per day). The heating value can be fixed to allow usage of low-cost material such as wood barks, palm bunches, and wood chips. The required amount of feedstock is around 300-350 tons per day, depending on the feedstock moisture content.

Project not submitted - None -**1.4 Biogas Power Plant**

Because of financial illiquidity and interrupted capital increase effort due to objection to it, the Meeting of the Board of Directors of The International Engineering Public Company Limited No.2/2018 dated 26 February 2018 then resolved to approve selling off all 500,000 ordinary shares or 100 % of the registered and paid-in capital of Nongree Power Plants Co., Ltd. at the par value of 100 Baht each to STRR Engineering Co., Ltd., totaling 50,00,000 Baht to be used as the Company and its subsidaires' working capital.

2. Recycled Plastic Pellet from Waste Plastic

From our experience in operating community waste power plant of Gidec Co., Ltd., we found plastic components in the community waste that can be used to produce recycle plastic pellets and reused in the industry. Therefore, the company has developed the business of Recyled Plastic Pellet from Waste Plastic.

However, after conducting tests and searching for solutions for plastic sorting for some time, it was deemed that the contaminated wastes from local dump site was not worth the plastics obtained and investment. The Company then switched from producing plastic from municipal waste to production

of recycled plastic pellet from used industrial plastic and plastic scraps, which have less production costs while resulting in higher output.

The Company then applied for license to import scrapped plastic from oversea in order to be used as raw materials totaling 36,000 tons to produce plastic pellets for sale. The main target is to export these plastic pellets to high-demand country such as China.

However due to the policy against the import of electronic and plastic wastes imposed by the government compounding to the decrease in import scale by sea due to worry on parts of ocean shipping companies, resulted in problems on the import of aforementioned plastics. The project therefore adapted its business plan to plastic pellet production to order from domestic material sorters instead.

Characteristics of product and service

Currently there are various types of plastic pellet in the market. They can be categorized by the source of raw materials such as new pellets or recycled ones from the industrial plants or community waste, etc. They are categorized by plastic characteristics into 7 groups as follows:

Plastic Type	Example of Use	Characteristics
PETE (Polyethylene Terephthalate ethylene)	Container of drinking water, sparkling water, liquid detergent	Light weight, not broken when being pressed
HDPE (High Density Polyethylene)	Container of milk, drinking water, liquid detergent, plastic bag, electrical equipment part, automotive parts	Strong, resistant to chemical substance and many types of solvents
PVC (Polyvinyl Chloride)	Container coverage, container that needs to be pressed when use, plastic bag	Highly flexible, hard but brittle, easily crumble when heated
LDPE (Low Density Polyethylene)	Plastic bag, some types of plastic bottle, bags for food, tea, coffee	Ductile and flexible, resistant to breakage, but weaker and less resistant to heat than HDPE

PP (Polypropylene)	Eraser, straw, milk bottle, non-reusable plastic bag for hot food	Lightest weight plastic, less brittle and more resistant to breakage than HDPE, low permeability for water and oxygen
Polystyrene	Plastic foam	Light weight, stable form but brittle, used for non-reusable foam glass

Currently, the Company is now producing plastic pellet to order from sorted scrapped plastic waste. After a trial run, it was discovered that such plastics could be converted into many types of plastic pellet for recycling industry in accordance with the demand and materials provided by the customer.

Market, Distribution and Distribution Channels

The main customer group is domestic plastic sorter, who have stable supply of materials enough to be fed to the production lines.

Competition Strategies

The Company holds the advantage in terms of numbers of equipment, allowing the project to accept more production orders and has production capacity that satisfy customer's demands in comparison to the competitors who might not be able to produce as much at a time. This is in addition to the experience in trial run of various types of plastic production including single plastic pellet and compounded plastic pellet while also made improvements to accommodate production of any type of plastics available as of this time.

Competition status

Plastic pellet production could be done by minor business owners with their own equipment and premises or production plant, which allows them to have relatively lower administrative costs compared to the Company. The past administrations had made rather high investment and the production plant was also on lease, which may pose risks in term of location and equipment costs. This is in addition to rather low profit margin per unit and the Company has to purchase raw materials for production on its own, resulting in tax burden which resulted in high costs compared to minor businesses.

Competition status

Plastic pellet production could be done by minor business owners with their own equipment and premises or production plant, which

Product Supply and Service

Due to the policy against the import of electronic wastes and PE plastic bags imposed by the government, resulting in difficulty to plastic pellet procurement via import and worry towards the policy among the ocean shipping companies, this has resulted in domestic shortage of materials and high price. The Company then decided to seek domestic partners with secure supply and changed the business model from importing plastic pellet to produce and export to producing plastic pellet to order instead of importing in addition to seeking trade partners who can provide raw materials for the production plant with the right amount of supply and appropriate price for production to order.

The Work Completed in 2017

In 2018, the project installed 6 production lines of plastic pellet production equipment and made improvements to equipment in 2 production lines so that they may accommodate production of any types of plastics instead of only polyethylene plastics.

Project not submitted - None -

Remark: Due to the fact that plastic pellet production required high investment in the past before the trial run, the current administration is now in the process of reviewing the project in terms of return on investment.

3. Information and Communication Technology (ICT)

The company has established and developed Information and Communication Technology (ICT) business as we found that the information technology takes an importance role in promoting the operation of both public and private sectors, and it is also important to the management and development of organization. The purpose of creating this business is to respond to the demand which gradually increases in both public and private sectors every year.

The company has gained the experience in management of important IT projects for over 10 years, with our business alliances who are internationally accepted. We provide excellent service, which is our strength in ICT business operation. In each project implemented by the company, we have

selected equipment and solution system that meet high standards. We establish the requirement for equipment and software system to be suitable for use in each organization. This helps the company's customers to maximize the profit from their investment.

Characteristics of product and service

The company's ICT line of work includes installation service for comprehensive information technology and communication systems; design and application of hardware, software, network system; repair and maintenance services to meet the customer's needs. Our team is composed of system developers and engineers that can support the design and development works, including the training for the customers.

From the successful implementation of the project "Integrated Billing & Customer Services System and Billing Mediation" or (IBACSS) with the project value of 953 million baht of CAT telecom PCL in 2008 – 2012), in 2013, the company was entrusted by CAT Telecom PCL to operate the customer information management system project (Unified Database). The project value was 211.48 million baht. Another project was the establishment of Enterprise Payment Integration System (1 system) in 2015. The project value was 19.35 million baht. Since 2013, the company has been continually entrusted by CAT Telecom PCL to maintain and repair the IT devices, IBACSS, and Unified Database. The project value is higher than 270 million baht to the present.

Market, Distribution and Distribution Channels

The main customer group consists of public sector, state enterprises, and private companies. The company focus on working in various projects by submitting bids. As our product and service is of high technology, during the offer or presentation there must be specialists in various field of knowledge and cooperation with domestic and international section. In addition to presenting the features by specialists, the Company also presented the customers with production demonstration in order to ensure them the quality of the Company's products and services.

In 2018, the main customer of the Company is still CAT Telecom PCL which is the key customer with continual employment for over a decade. Last year, the Company presented products and solutions in response to the business plan of CAT Telecom including but not limited to RDBMS, Customer Front End Application, CRM and Order Management etc.

Competition Strategies

The important strategy is that we have a team of people specializing in IT project management and business alliances in various fields of products such as hardware and software. We focus on alliances with modern technology products who are internationally accepted, offering reasonable price, having skilled and knowledgeable personnel, readiness to perform aftersales service such as service centers that cover the usage area, fast manufacturing and selling process, readiness to provide the products to support large projects in public or private sectors, and ability to deliver product and service for the project on time. Apart from good product and service, the essential factor of competitiveness is being a good business partner with customers i.e. the company should be a good business consultant offering advice, supporting the customers and ensuring the customers the best products or services within their appropriate budget.

Competition status

Information technology is a transformative factor for businesses and organizations that has been keeping up with the latest update in technology in each year and thus is very significant. To catch up with the changing technologies and competitors in the market with new entrepreneurs each year.

The technology trend for the year 2019 awaited by people around the world was presented in Gartner's Top 10 Strategic Technology Trends For 2019 from Gartner Symposium held regularly on October of each year.

Each technology presented must have the capacity as a "strategic" tool that will enhance business potential for possibly no less than 5 years. These top 10 strategic technology trends for the year 2019 includes the following:

1. Autonomous Things

This trend is coming close to a reality due to the capability of artificial intelligence (AI) which help Internet of Things (IoT) smart devices interconnect with one another in a wide network. In addition, AI also enhance the behaviors of autonomous things such as robots, drones, autonomous vehicles, allowing them to communicate and interact with human and their surroundings more naturally.

2. **Augmented Analytics**

Usage of artificial intelligence to augment analytics capabilities is becoming more popular. By using machine learning (ML) to study and analyze newly-created contents or shared automatically, it can become a decision-making tool for organizations which will optimize the efficiency of employees without having to rely on data specialists such as data scientist and analyst. It can be said that everyone can become a scientist. Gartner predicted that by 2020, the amount of citizen data scientist will increase by fivefold.

3. **AI-Driven Development**

Organization needs to make use of business tools and technology driven by AI increasingly including technologies under development by developing easy-to-use tools and allowing application developers to augment AI in their applications. This requirement may exceed even those of data scientists. Gartner predicted that by 2020, at least 40% of new application development projects will have AI co-developers on their team.

4. **Digital Twins**

TechTalkThai (www.techtalkthai.com) defined Digital Twin in Thai easily as the process of using entity or system in the real world to be presented in every dimension in the digital world. This trend has been there for a while now and has tendency to be increasingly popular along with the proliferation of IoT especially to be used in each business organization so they may be able to deliver “values” required by the customers in a swift manner. Gartner’s survey revealed that half of organizations that implemented IoT in their business this year also plan to implement digital twin technology as well. It is estimated that the number will triple by the year 2020.

5. **Empowered Edge**

Edge computing will help place information processing, content collection and delivery closer to the endpoints or storage space at higher speed. Gartner predicted that over the next five years, edge computing will be driven by AI with even more advanced capabilities by implementation of smart devices such as specialized AI chips, advanced storage and 5G processing technology.

6. **Immersive Experience**

The trend of this technology goes hand in hand with modern marketing whereby it is required to satisfy user experience in every dimension, digital or real world in an immersive experience. This experience will use whatever means or strategy to erase or blur the barrier between the real world

and the digital world. Conversational platform such as chatbot will change how people interact with the digital world. Virtual reality (VR), augmented reality (AR) and Mixed reality (MR) are changing the way in which people perceive the digital world and will lead to a new way of communication and interaction between the user and technology.

7. **Blockchain**

Blockchain was trusted in their “promise” to reshape industries featuring centralized trust model, providing transparency and reducing friction across business ecosystems. Many CIOs are now setting their eyes on and evaluating blockchain’s capability. Currently, some large companies are now pioneering in new projects using blockchain such as the retail giant Walmart or world-class shipping company such as Maersk.

8. **Smart Spaces**

Gartner defined smart spaces as a physical or digital environment in which humans and technology-enabled systems interact in increasingly open, connected, coordinated and intelligent ecosystems. This trend has been growing for some time around elements such as smart cities, digital workplaces, smart homes and connected factories.

As the real world and digital world converge, digital ethics and privacy is becoming a growing concern for individuals, organizations and governments. Gartner however, predicted in several years, there will be more importance in regulations, risk mitigations and ethics.

9. **Quantum Computing**

Quantum computing operates using the characteristics of “atom” in computing, which is vastly faster than regular computing. In other words, computer will have faster brain, allowing it to learn faster, making AI more intelligent in a quantum leap. Developers will be able to develop new applications through quantum cloud. Many CIOs are now observing this technology closely and it is expected that tangible results will be apparent by 2022 or 2023.

10. **A modern world revolving around “AI”**

The most apparent features of 2019 technology trends is that many technologies are becoming more “effective” and have “higher capability” with the advancement of AI, which is the brain working behind the scene, improving values.

Gartner, reported the overview of global AI market that the business value will grow from 1.2 trillion USD in this year to 3.9 trillion USD in 2022.

“AI promises to be the most disruptive class of technologies during the next 10 years due to advances in computational power, volume, velocity and variety of data, as well as advances in deep neural networks (DNNs),” said John-David Lovelock, research vice president at Gartner.

In the next few years, the important role of AI will revolve around enhancing customer’s experience especially in the development of customer interaction as well as reducing expenses through optimization. Nevertheless, AI after 2021 might become a revenue enhancing tool that will increase the sales of existing service and innovate new products demanded by the market.

Source: <http://www.bangkokbiznews.com/news/detail/817586>

Product Supply or Service

The company, in collaboration with alliances specializing in technologies both domestically and internationally, offer information technology system service that meets the needs of each project of customer. Our importance alliances include IBM Thailand Co., Ltd., Subex (Asia Pacific) Pte Ltd., Info Global Solutions (Thailand) Ltd. and new partners in 2018 are SourceCode Asia Pacific Pte Ltd. and Tmax Singapore Pt.Ltd., etc.

Important Projects

The important project of CAT Telecom PCL which was the turning point for ICT business unit included the Integrated Billing & Customer Services System and Billing Mediation (IBACSS) with the project value of 953 million Baht in 2008 – 2012 and the customer information management system project (Unified Database) with the project value at 211.48 million Baht. As a result of success of these two projects, the Company was entrusted to maintain and repair those 2 projects up to this day as well as improve upon them into new projects such as the development of backup system for OM Unified and improvement of CRM.

Project not submitted

Projects operated by the Company at present can be divided into the two following categories:

1. Maintenance Project: The Company will submit the maintenance and repair project monthly for the period of 12 months without warranty period for projects, such as IBACSS and Unified Database maintenance and repair.

2. Turnkey Project: The Company will develop systems as ordered until it's ready for use and then submit the project to the customer within the project period with warranty period, including:

2.1 Enterprise Payment Integration System project which is expected to be submitted by the first quarter of 2019.

2.2 Development of domestic roaming fee processing system which is expected to be submitted by the first quarter of 2019.

2.3 Development of backup system for OM Unified which is expected to be submitted by the third quarter of 2019.

4. Engineering Consulting

As of now all the projects in this business group have been completed since the end of 2015 and we have had no new projects. The company is considering cancellation of this business group.

Situation of Energy Business

Power Development Plan of Thailand 2015 – 2036 (PDP 2015)

1. Current Status

Power generation capacity in the end of December 2014, total power supply in Thailand was 37,612 Megawatts. It is composed of firmed power plant (Electricity Generating Authority of Thailand) 34,668 Megawatts, purchased power from SPP (Non-firmed type) 915 Megawatts and from VSPP 2,029 Megawatts. The details are as follows:

Electricity power categorized by power plant type

- Combined cycle power plant: 21,145 Megawatts (56.2%)
- Thermal energy power plant: 7,538 Megawatts (20.0%)
- Renewable energy: 8,476 Megawatts (22.5%)
- Gas turbine power plant with diesel engine: 153 Megawatts (0.5%)
- Thailand-Malaysia generating cable: 300 Megawatts (0.8%) or 37,612 Megawatts in total. The power generation capacity by power producers: EGAT: 15,482 Megawatts (41.2%), IPP: 13,167 Megawatts (35.0%); SPP: 4,530 Megawatts (12.0%); VSPP: 2,029 Megawatts (5.4%); power purchased from foreign countries: 2,404 Megawatts (6.4%) – 37,612 Megawatts in total.

The Power Development Plan framework 2015 – 2036 (PDP 2015) according to the resolution from the National Energy Policy Committee (NEPC) meeting session 1/2557 held on August 15, 2014 indicated the same direction as Power Development Plan Policy 2015 – 2036 (PDP2015). The effective period corresponds with the National Economic and Social Development Plan of the National Economic and Social Development Bureau (NESDB), including Energy Efficiency Development Plan (EEDP) and Alternative Energy Development Plan (AEDP). The timeframe of the plan above (2015 – 2036) corresponds with PDP 2015. The National Energy Policy Committee (NEPC) has approved the Power Development Plan 2015 - 2036. The aforementioned plan (PDP 2015) focuses on 3 following issues:

1. Security: Energy security which meets the power demand and sufficiently supports the situation forecasted by National Economic and Social Development Plan, including appropriate fuel diversifications which are used to produce power in order to reduce the risk of relying on one single type of power source.

2. Economy: the cost of power production should be appropriate and not an obstacle for the country's long-term economy and society development. Furthermore, the plan is intended for efficiency, which shall be considered in the power production development planning in every economic section to delay the expected time to construct power plants and reduce importing of power from foreign countries.

3. Ecology: the objective of the plan is to reduce the environmental impact by decreasing carbon dioxide release per unit of power produced by the power plant at the end of the plan timeframe.

PDP 2015 Preparation Direction

According to NEPC's resolution on August 15, 2014, the approach for implementation of the Power Development Plan (PDP2015) can be described as follows:

1. The plan focuses on stability of country's electricity system to ensure the stable power production, generation and distribution in each local area.

2. The policy of fuel distribution is made to reduce the risk of relying on only one single source of fuel.

- The plan aims to reduce of reliance on natural resource.
- Increase power production from coal power plant with a clean technology.
- The additional resources of power is from several neighboring countries but it is limited at 20% of overall electricity production capacity.

- Promote usage of renewable energy for power production.

- The nuclear energy plant is programmed at the end of the plan.

3. Reserve margin of power production shall be 15% (or higher) of electrical power maximum demand.

4. According to the policy, Independent Power Producer (IPP) and Small Power Producer (SPP) will proceed in accordance with the contract, committed with private power plants.

Alternative Energy Development Plan AEDP)

Unavoidably, the terms “Alternative Energy” or “Renewable Energy” have played their roles in Thailand’s electrical system. Even though the production cost for some types of alternative energy is higher than that for power production of other major power plants such as clean coal, natural gas, and hydro power plants, etc. One of the factors that result in Thailand’s adoption of alternative energy is the current increase of Greenhouse Gas (GHG), mainly Carbon dioxide (CO₂) released from fossil fuel combustion in all industries including power production that relies on fossil fuel as the major fuel. Therefore, each government has put an effort to carry forward AEDP to make it more concrete, in order to become Low Carbon Society and to be a good example recognized by the world.

As a country that is committed to using alternative energy. This can be done by increasing the use of alternative energy in power production. An incentive plan measure is to buy electricity from private sectors. Initially, the price was increased for electricity produced using alternative energy. A lot of investors have been interested and participated in this power production project. They have submitted proposals to supply electricity to the authorities. The incentive plan has been adapted for private sectors’ investment to be more suitable for current situation. Feed-in Tariff (FiT) is now used for the purchase price to reflect the power production of each alternative energy better. Furthermore, the timeframe of electricity purchasing has been clearly specified.

In the past, the Power Development Plan 2012 - 2030 (PDP2010 Revision 3) involved considerations according to the policy that promotes the public sectors’ power production from renewable energy. This follows AEDP within the timeframe of years 2012 - 2021, in order to substitute the energy obtained from fossil fuel by 25% within the next 10 years. Additionally, the effects of electricity price on the users under AEDP have been analyzed under the criteria approved by the National Energy Policy Committee (NEPC). However, so far there has been a large number of investors, which results in increase of alternative energy for some areas and consequently oversupply in some periods. This is an operational issue that has impacts on the process of approval to purchase electricity and the system readiness.

At present, the public sectors’ policy to promote usage of renewable energy for power production (2015) focuses on solving the community problems including community waste and

agricultural waste. Therefore, community waste, biomass and biogas has been promoted to be used as the main resource for power production. The strategy is to promote bio energy including waste, biomass and biogas as the first energy resource. The remaining power production capacity is approximately 500 MW from waste, and 2500 MW from biomass. There has also been a coordination with the Zoning Policy of Ministry of Agriculture and Cooperatives to expand the plantation of sugar cane and palm. Production of tapioca shall be increased from 3.5 to 7 ton per rai per year, which will results in increase the potential of feedstock to produce 1500 MW of power additionally. It's important to maintain good productivity, otherwise the burden will be on the users. The concept of allocating the power production for different types of alternative energy is rezoning the areas into regions and provinces. This includes adaptation of alternataive energy technology to compete with LNG for use in the future. Also included is the promotion of power production that strengthen the community and reduce import of fossil fuels. The proportion of power produced from alternative energy shall be increased from 8% to 20% of the country's total electricity demand in 2036.

According to AEDP, the installed capacity has been estimated for renewable energy power plants in the whole country, which include renewable energy power producers who sell electricity to the generating authorities directly. This estimate will be used to forecast the electricity demand in EGAT's system and in the whole country. According to AEDP, the power production capacity of Very Small Power Plant (VSPP) is estimated as follows:

The type of renewable energy is specified of VSPP and PEA in the table

Unit : MW

Year	Solar	Wind	Hydro	Waste	Biomass	Biogas	Energy Plant	Total
2559	3,390	66	70	100	337	1,842	-	5,805
2564	3,816	118	80	141	411	2,956	24	7,547
2569	4,237	224	115	264	491	3,687	259	9,279
2574	4,741	401	137	311	552	4,347	363	10,852
2579	5,262	1,069	168	321	600	5,050	630	13,100

Source: Power Development Plan of Thailand 2015 – 2036 (PDP 2015) approved by the National Energy Policy Committee (NEPC) on May 14 2015, acknowledged by the cabinet on June 30, 2015.

Risk Factors

1) Business operational risk

1.1 Market demand risk

The main businesses of the company consist of 3 important activities which are energy, plastic pellets from recycled plastic waste and ICT.

Energy business is considered to have low risk regarding the market demand. As the company is a contract partner of PEA, which purchases all electricity produced by the company's group according to PPA.

Recycled plastic pellets are still in demand due to lower price compared to newly-produced plastic pellets. Nevertheless, fierce competition and government's policy to limit the import of raw materials still directly affected each business, resulting in higher costs of production. Although market demand remains high, price competition is also high as well.

ICT business is in a highly competitive market, especially when bidding for government's large projects. Currently the number of System Integrators, existing and new, is increasing continually in the market, while the number of government's projects does not increase as much. The company needs to focus on the quality of our products and services; the relationship with customers, partners and alliances. These are the key to success in this highly competitive market. The economic recession and political issues during the last many years, and the reorganizing of high management structure in government sectors directly impacts ICT operation. These lead to inconsistent operation and delay of employment in various projects. If vacuum situation of employment goes on for too long, it will impact on the company's salary payment, which is fixed. Therefore, we have applied outsourcing policy for ongoing projects and minimize the number of full-time employees.

1.2 Potential Risk from the changes of regulations on business operation

The changes of regulations on business operation may affect the business operation of the company either in the positive or negative ways. Such changes are considered uncontrollable factors. However, the company follows up continuously the changes of policy and regulations of the

government, and analyzes the company's investments. We pay attention to such changes in order to adapt the company's operational method to be in compliance with government regulations.

1.3 Legal Dispute Risk

1.3.1 On February 26, 2007, IEC Business Partner Co., Ltd. (the 5th defendant), a subsidiary of the company was sued under Civil Court regarding the asset purchase transaction with International Gasohol Corporation Co., Ltd. (1st Defendant): Undecided Case No. 842/2550 with the amount of 181.52 million baht in dispute. The plaintiff has requested for a verdict to nullify the juristic act of the aforementioned asset purchase, and register the ownership of assets that were transferred back to the seller. If not, the subsidiary and pertinent defendants shall pay the disputed amount along with interest at the rate of 7.5% per year from the prosecution date onwards until the full amount is paid to the plaintiff. On October 26, 2010, the Civil Court rejected the case. The plaintiff appealed the judgement. The defendant submitted a plea for the appeal. The case is now under the trial of Appeal Court. The court appointed the judgement date as February 2, 2015. The Appeal Court decided to revise the previous judgement to revoke the juristic act of asset purchase between the 1st defendant and the 5th defendant, and register the transfer of disputed assets to the 1st defendant on May 28, 2015. IEC Business Partner Co., Ltd., the 5th defendant submitted a petition to the Supreme Court. Subsequently, the court appointed a date for hearing of judgment to be on 24 October 2018 whereby the Supreme Court has reached the final verdict to acquit the plaintiff (upholding court of first instance's judgment). The verdict therefore affirmed the juristic act of asset purchase between the 1st and the 5th defendant to be legal in every way and not nullified.

1.3.2 On January 22, 2009, the subsidiary IEC Business Partner Co., Ltd. was sued by International Gasohol Corporation Co., Ltd. for default of the asset purchase contract: Undecided Case No 219/2552 with the disputed amount of 82.54 million baht and interest rate of 7.5% per year.

The plaintiff in this case however, was given an absolute receivership order by the Central Bankruptcy Court. The court therefore summoned official receiver to represent the plaintiff. The court considered that the trial requires for facts in the main case pertaining to the lawsuit regarding the request to nullify the juristic act of the aforementioned asset purchase, which is a related case, to be made clear first. (The main case refers to the aforementioned Undecided Case No. 842/2550 in 1.3.1). The Court then ordered the case to be temporarily disposed until the verdict of the main case is reached.

Later, on 24 October 2018, the Supreme Court reached the judgment for the main case (Undecided Case No. 842/2550) to acquit the plaintiff, resulting in the juristic act of asset purchase between IEC Business Partner Co., Ltd. and International Gasohol Corporation Co., Ltd. to be legal and not nullified. The official receiver of International Gasohol Corporation Co., Ltd. who legally represented the plaintiff then requested the court to reopen the temporarily disposed case. The court appointed the date of hearing to be on 28 January 2019 at 13.30 hrs.

1.3.3 On 26 July 2018, IEC Mae Tha Mae Taeng Co., Ltd. (1st Defendant) which is the Company's subsidiary was sued by one of the Company's past executive in a civil case on the charge of violation under Civil Court as Undecided Case No. Por.4271/2561 to prosecute and demand for compensation from the subsidiary (1st Defendant) and other 3 pertinent defendants, totaling 4. It was alleged that the subsidiary and co. sued that particular ex-executive and co. in a criminal case for a fraud against the subsidiary at Dusit District Court on 31 July 2017 as Undecided Case No. Aor1671/2560. The ex-executive sued on the charge of violation and demanded 50 million baht of damage. The court has appointed the dates for plaintiff and defendant's witnesses to be from 21 – 24 May 2019.

1.4 Risk of reliance on major customers for energy business

The group of companies operating power plants in every project has only one customer, which is Provincial Electricity Authority (PEA), and has power purchase agreements entered with PEA. This customer is reliable and stable. Therefore, the risk of reliance on major customers for energy business is low.

1.5 Risk of materials necessary for production

Our subsidiary IEC Sakeaw 1 Co., Ltd. operating biomass power plant, of which the important materials to produce the power are wood chips, wood barks, palm bunches, and bagasse. These are important raw materials for power production. The price and productivity of these natural resources are not certain. Therefore, there is a risk of material shortage in some seasons when the price tends to be higher.

IEC Maetha Mae Taeng Co., Ltd. face the risk of climate change. The sunlight which is the raw material for electricity generation has been changing with climate whereby in the last 2 years, the power plant experienced overcast due to raincloud and dense fog associated with forest fire.

Future Risk

1. Deviation from capital increase plan which may result in a business risk whereby a business could not commence by the set commercial operation date.

2. Higher fuel cost for biomass power plant due to increased number of power plant, resulting in scrambling for resources, pushing the price up. IEC Sakeaw 1 has prepared to produce its own firewood supply in order to control the cost of electricity generation.

3. IEC Maetha Mae Taeng cannot use new technologies due to the terms in the contract.

1.6 Risk Factors in Recycled Plastic Pellets Business

1.6.1 Raw Material Quality

It is necessary to instill trust among the clients in our plastic pellets production capability because the Company is still a new producer in the market. Therefore, it is essential to control the quality of plastic pellets. The project also needs QC laboratory to ensure that the quality remains consistent and build up credibility in the output plastic pellets.

1.6.2 Raw Material Consistency

The project accepts plastic pellet production order from plastic materials and sorted scrapped plastic wastes which came from many sources in Thailand, making it difficult to control the amount and quality of the raw materials as while also difficult to separate each type of plastics since they were scrapped together.

1.6.3 Selling Price

Producing plastic pellets to order has many variables in determination of the price including the type of plastics, the sieve filter's opening as well as variance in oil price, which may subject the profit from plastic pellet production to change in the future.

1.7 Risk of Interest Rate

1.7.1 Raw Material Quality

Sunlight intensity, unfortunately, cannot be controlled.

1.7.2 Raw Material Consistency

Solar collection cannot be consistently controlled or quantified in hours due to the fact that the raw material consistency changes with the climate.

1.7.3 Selling Price

The buying price of electricity is given adder subsidy by PPA for 10 years. Subsequently, the buying price will be subject to the change in government's policy in the future.

1.8 Risk of Interest Rate

The risk of interest rate refers to the risk of interest rate change in the future which may impact the business operation and cash flow.

The company has interest risk with financial institutes for savings, loans, OD, short-term and long-term loans. However, most of the savings have fixed interest rates while liabilities have floating interest rates. The company's finance division has to closely monitor the interest rate in order to minimize the impact on the company's finance. This is done by observing the trend of interest rate. In other words, should the interest rate be speculated to remain still or fall, the company may consider paying debts at floating rate while if the interest rate is expected to rise, the company may consider paying at fixed rate instead. As for risk management for the risk of interest rate in the following year, the company will control the ratio of assets and liabilities interest rate in the group to be more consistent and appropriate to mitigate the rate of interest risks.

In 2018, the Company's finance expected the interest rate to rise, the company therefore negotiated with financial institutions payable to repay loans early, especially those with high interest rate in order to increase liquidity in operation by decreasing finance costs.

2) Risk of investment of shareholders

2.1 Risk affecting the right or investment of shareholders

The Company has scattered minority shareholders, which as of 30 April 2018, there was 25,918 shareholders. From that number, in order to hold a meeting of shareholders, one-third or 33.33% of shareholder votes are required to declare meeting that constitute a quorum open. Therefore, there is a risk to the shareholders that the Company might not be able to hold a general meeting that constitute a quorum on the first occasion.

The Company has no major shareholder with more than 15% of all subscribed shares and therefore has no major shareholder who hold sways over the Company and influence its decision.

Risk of conflict of interests from executives and major shareholders having competing business:
(None)

Organizational Structure

Board of Directors

Authority and Duties of the Board of Directors

The Board of Directors has the authority to manage the Company in accordance with the objectives and articles of association as follows.

1. The Board of Directors must organize a meeting at least once in every 3 months.
2. The Board of Directors has the authority to issue regulations in order to carry out the objectives of the Company.
3. The Board of Directors shall provide the shareholders' annual general meeting.
4. The Board of Directors must provide a balance sheet and income statement as at the end of the financial year of the Company and propose to the shareholders in the annual general meeting.
5. The Board of Directors may appoint any other person to carry out the business of the Company under the control of the board.
6. The Board of Directors of the Company is entitled to compensation for their duties.
7. The Board of Directors shall not be allowed to be as a partnership or be a shareholder in any juristic company of the same nature and likely to be Company's competitor, unless otherwise informed in the shareholder meeting of such act prior to the appointment resolution.

Composition and Appointment of Board of Directors

Any member in the Board of Directors must be qualified according to article 68 of Public Limited Company Act B.E. 2535 and on the subject of requirement of Capital Market Supervisory Board determined regarding Securities and Exchange Act B.E.2535

Structure and Qualification of Board of Directors

1. The Board of Directors shall be composed of directors having different expertise and experience, including specific skills that lead to Company's benefit. At least one person who is non-executive committee in business or major industry that the company is operating must be appointed. The Company shall declare the policy regarding composition of the Board of Directors, including term of each

directors in the annual report and on the Company website. The announcement shall not be against the Public Limited Company Act.

2. The Board of Directors must be composed of at least 5 and more than half of them must reside in the Kingdom.

3. It must be composed of independent directors as determined by SEC regulation. For the non-independent directors should be fairly appointed as per the proportion of amount invested of each shareholder group.

4. Directors must have a variety of skills; industry, accounting, finance, business, management, strategic risk analysis, law, corporate governance. At least 3 of all directors must have a knowledge directly related to business management of the Company and at least 1 director must have expertise in knowledge of laws, and at least 1 director for accounting and finance.

5. Appointment of Directors is subject to the terms precisely determined. It must be transparent. The profile of directors with sufficient details shall be disclosed in annual report for a decision making in shareholder's general meeting.

6. They must appoint a company secretary to be responsible for providing advice on laws and regulations that the Board need to know, and operating their activities, including cooperation to respond the resolution of the Board of Directors, and other duties according to the laws of Securities and Stock Exchange of Thailand. The Company provides trainings to develop the knowledge of laws, accounting or secretarial duties to company secretary from time to time.

Board of Directors as in 2018 are composed of following members.

Name	Position	Term of service
1.Mr. Komol Junrungruangkit	Director Chairman	Since 20 September 2018
2.Mr.Pongkawin Junrungruangkit	Director Chairman Chief Executive Officer	Ended on 20 September 2018 Ended on 20 September 2018 Ended on 29 October 2018
3.Mr.Santichai Teowsomboonkij	Vice Chairman	
4. Mr. Metha Thamviham	Director (Independent Director) / Chairman of Audit Committee	Since 30 March 2018
5. Mr. Chatchawan Hasuwannakit	Director Member of Audit Committee	Since 30 March 2018

6. Mr.Sakda Sinives	Director Member of Audit Committee	Since 30 March 2018
7.Mr. Pornthep Itsoponpun	Director	
8. Lt.Gen Jadet Jaimun	Director (Independent Director)	Since 20 September 2018
9.Mr.Dumrong Putiput	Director Chief Executive Officer	Since 29 October 2018
10. Mr.Apichet Paiboonpan	Director Member of Audit Committee Senior Executive Vice President	Since 30 March 2018 and ended on 14 August 2018 Since 29 October 2018
11. Lt. Gen. Wattana Petchmongkol	Director	
12.Mr. Poorich Nanawaratorn	Director	

To act on behalf of the Company, two directors jointly sign their names and affix the Company's seal with the Company Secretary of 2017 as per the article 89/15 of Securities and Exchange Act B.E.

2535 as follows:

Mr. Supanut Poonsawasd (25 August 2017– Present)

Meetings of the Board of Directors

Meeting of the Board of Directors is scheduled at least once in every three months or called when it's necessary. The Meeting agenda must be set in advance and consider to follow up the operation result regularly. Prior to the meeting date, the Company Secretary will send the notice of meeting invitation, including agenda and documents so that the Board of Directors have enough time to study the issues before the meeting. The Company Secretary takes the minutes of meeting, store the minutes that have been approved by Chairman of the Board or an appointed director as well as to have it ready for inspection from directors or relevant persons. In 2018, there were 17 meetings organized. The summary of attendance of each director is as follows:

Name of Attendance	Attendance /Total Meeting sessions during their duty (Times)
1. Mr.Pongkawin Jungrungruangkit	15/15
2. Mr.Santichai Teowsomboonkij	16/17
3. Mr. Metha Thamviharn	16/17
4. Lt. Gen.Wattana Petchmongkol	0/17

5. Mr. Poorich Nanawaratorn	0/17
6. Mr. Komol Jungrungruangkit	7/14
7. Mr. Chatchawan Hasuwannakit	13/14
8. Mr. Pornthep Itsoponpun	14/14
9. Mr.Dumrong Putiput	7/14
10. Mr.Apichet Paiboonpan	14/14
11. Mr.Sakda Sinives	10/14
12. Lt.Gen Jadet Jaimun	2/2

Performance Evaluation of the Board of Directors

According to the principles of good corporate governance of the Company, it is determined that the Board of Directors or Sub-Committees must proceed a performance evaluation at least once a year. The evaluation is composed of overall performance and performance of each director. The purpose is to improve the working process for more efficient performance. The Company gives the importance to self-evaluation of Board of Directors, orientation of new directors and encourages the directors to attend the training provided by Thai Institute of Directors Association (IOD) and related authorities from time to time.

The purpose of evaluation of the Board of Directors and Sub-Committees of the Company is to have a transparent and fair performance for a good corporate governance to promote the Company sustainable growth and progress.

The Process of Evaluation of the Board of Directors

To ensure that the principle of good corporate governance is complied with and the information is thoroughly, quickly and accurately distributed among the company directors in a straightforward manner, the Company uses a self-assessment form of Board of Directors for the year 2018 based on the Stock Exchange of Thailand's self-assessment form. The Company regularly perform self-evaluation for Board of Directors annually. The results will be used as a framework for reviewing performance, problems and obstacles as well as further improve work performance. Therefore, self-evaluation for the Board of Directors in 2018 were conducted.

The form includes the following major topics for evaluation:

- Board structure and qualifications
- Roles, duties and responsibilities of the board

- The board meeting
- Duties of directors
- Relationship with management
- Director's self improvement and management training

In each topic, there was sub-topics for directors to rate. The scores obtained was calculated for an average score of Board of Directors, Sub-Committees, and each director. In 2018, the result of overall evaluation for Board of Directors as a whole was deemed satisfactory. Comments were also taken into account in order to improve performance of the Board of Directors as well as further enhance the Company's operation.

Executive Management

The Executives as of 2018 are:

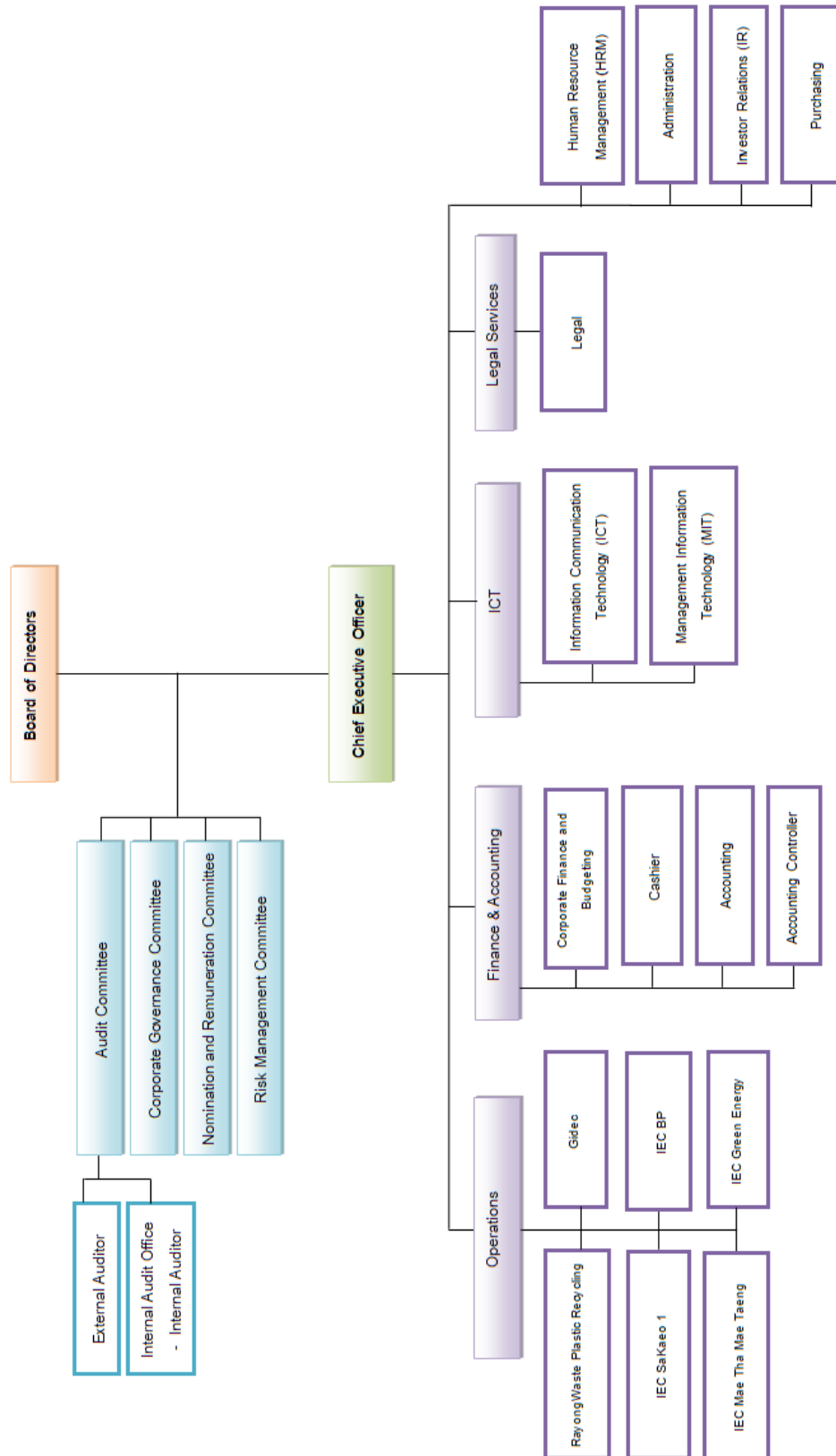
Name	Position	Term of service
1.Mr. Pongkawin Jungrunruangkit	Chief Executive Officer	Ended on 29 October 2018
2.Mr.Dumrong Putiput	Chief Executive Officer	Since 29 October 2018
3. Mr.Apichet Paiboonpan	Senior Executive Vice President	Since 29 October 2018
4.Miss Reathairat Thongjarean	CFO	Since 6 November 2018
5. Mr.Vanrin Maschai	Acting Senior Executive Vice President Operations / Executive Vice President	
6. Ms.Duangjai Nilapan	Acting Senior Executive Vice President ICT / Executive Vice President	
7. Ms.Duangporn Kumwichit	Senior Vice President Accounting Division	
8. Mr.Somchai Wuttisart	Senior Vice President Legal Division	

Company Secretary

Company Secretaries as of 2018 are composed of following members:

Name	Position	Term of service
Mr. Supanut Poonsawasd	Company Secretary	

The International Engineering Public Company Limited Organization Structure



Remuneration for Board of Directors and Executives Directors**(1) Financial Remuneration**

(1.1) Remuneration for Board of Directors and Executives Directors in the year 2018 are composed of following meeting allowances :

No.	Name	Board of Directors	Audit Committee	Executive Board	Risk Management Committee	Nomination Committee	Total
1	Mr. Pongkawin Jungrungruangkit	45,000.00					45,000.00
2	Mr.Santichai Teowsomboonkij	45,000.00					45,000.00
3	Mr. Metha Thamviharn	45,000.00					45,000.00
4	Mr. Komol Jungrungruangkit	21,000.00					21,000.00
5	Mr. Chatchawan Hasuwannakit	36,000.00					36,000.00
6	Mr. Pornthep Itsoponpun	39,000.00					39,000.00
7	Mr.Dumrong Putiput	18,000.00					18,000.00
8	Mr.Apichet Paiboonpan	39,000.00					39,000.00
9	Mr.Sakda Sinives	27,000.00					27,000.00
10	. Lt.Gen Jadet Jaimun	3,000.00					3,000.00
	Total	318,000.00	-	-	-	-	318,000.00

Remark : Meeting allowances for Board of Directors, Audit Committee, Executive Board, Risk Management Committee and Nomination and Remuneration Committee Members was approved by the Annual General Meeting of Shareholders dated 30 April 2018 to not exceeding 960,000 baht.

(1.2) Compensation for Executive Officers

In 2018, the company made compensation of 6,790,000 baht to 8 executive officers. (Provident fund and other benefits not included)

(2) Other compensation

New executive beginning their tenure from September 2017 on will not be provided a provident fund. The company however has provided provident fund to the executive who began their tenure prior to

September 2017 at the rate of 3% of monthly compensation. In 2018, the company has given to 3 executives a provident fund of 151,200-baht total.

Employees

- As of 31 December 2018, IEC has the total of 75 employees.

- Labor disputes

For the past 3 years, the Company had several labor disputes including 7 labor cases whereby the employees, as the plaintiffs, demanded for severance pay. Of those, 4 cases were struck out of the lists due to plaintiffs withdrawing the case, 1 case was dismissed by the court and 2 cases where the plaintiffs won the cases. Those 2 cases are now undergoing appeal to the Court of Appeal for Specialized Cases.

- Remuneration management

The company formulated the policy of remuneration and employee benefits in accordance with employees' responsibilities and performance, including economic condition and company's performance.

The remuneration is divided into three following categories:

1. Salary: IEC defines the suitable rate based on duties and responsibilities in its salary structure.
2. Welfare: IEC provides the following welfare for the employees:

2.1 Social security Fund

IEC provides social security fund as indicated by law. It offers the protection under seven circumstances, namely sickness, labor and delivery, disability, death, child support, retirement and unemployment. The company also offers Workmen Compensation Fund (WCF) to employees who are injured on duty.

2.2 Provident Fund

This welfare promotes the employees' savings. IEC deducts 3% of their salary as contribute to provident fund and the company will contribute an equal amount to the fund as well.

2.3 Medical Welfare

IEC applies for health insurance to support the medical expense in time of employees' sickness and the rate varies according to the employee's position.

2.4 Group Accident Insurance

IEC provides the employees with group accident insurance, whose coverage varies according to the employee's position.

2.5 Compassionate Allowances

IEC offers compassionate allowances in case that the employees or their family members pass away.

3. Bonus

IEC offers bonus based on the employees' and company's annual performance.

-Human resource development

Deeming the employees as the organization's most valuable asset, IEC always recognizes the significance of human resource development. It therefore provides them with several activities from the first day the employees join the company such as employee orientation, training, field visit, job rotation and promotion.

In 2018, the Company has arranged for employee training programs in order to develop occupational skills such as finance, accounting, legal, staffing, investor relation, IT and engineering.

The employees of the Group spent about 6 hours/person/year on training and IEC employees spent 3 hours/person/year on average.

Corporate Governance

Corporate Governance Policies

IEC and subsidiaries formulate the corporate governance policies based on the authorities.

The Sub-Committees

The company constitutes six following sub-committees:

1. Executive Committee
2. Audit Committee
3. Nomination and Remuneration Committee
4. Risk Management Committee

5. Corporate Governance Committee

Remark: To help the internal management to be more flexible and to ensure that the Board will receive detailed, fast, accurate and direct information. The Board of Directors' Meeting No.9/2017 dated 9 May 2017 resolved to temporarily suspend the company's sub-committees from performing their duties except for the Audit Committee which will continue to perform their duties. Should there be any urgent matters for other committees to consider, those matters are to be proposed directly to the Board of Directors.

1. Executive Committee

Authorities and Responsibilities of the Executive Committee

The Executive Committee is authorized to conduct activities as assigned by the Board of Directors according to the company's objectives and article of association.

1.1 Operation authority , approved by the Board of Meeting no. 2/2018 dated February 26, 2018 was summarized as follows :

- Money deposit with financial institutes
CEO : Over 5,000,000 baht
- Loan limit for subsidiaries
CEO : Not greater than 50,000,000 baht
- Approval for opening overdraft and loan limits
CEO and inform the Board of Directors acknowledged : Not greater than 100,000,000 baht
- Approval for procuring fixed assets, other items, supplies, raw materials for production process, and supplies in production process (extra items from annual business plan)
CEO : Not greater than 50,000,000 baht (per approval)
Board of Directors : Over 50,000,000 baht
- Approval for procuring fixed assets, other items, supplies, raw materials for production process, supplies in production process (Items extra from but aligned with annual business plan)
CEO : Not greater than 50,000,000 baht (per approval)
Board of Directors : Over 50,000,000 baht

- Filing/not filing a lawsuit, or appealing/not appealing, or not petitioning to the supreme court, or withdrawing the case/appeal/petition to supreme court on tax, compromising, or giving consent to pay tax

Executive Vice President of Accounting and Finance : Not greater than 2,000,000 baht /case

CEO : Not greater than 10,000,000 baht /case

Board of Directors : Over 10,000,000 baht /case

- Approval for investment and expense of IEC business in addition to the indicated amount or the company's budget for general transactions

Within-Budget:

- Not greater than 5,000 baht	Senior Division Manager
- Not greater than 10,000 baht	Vice President
- Not greater than 25,000 baht	Senior Vice President / Asst.Vice President or General Manager / Managing Director of subsidiaries
- Not greater than 50,000 baht	Senior Executive Vice President / Senior Vice President (in specific departments)
- Not greater than 5,000,000 baht	CEO
- Over 50,000,000 baht	Board of Director

Over-budget or Off-budget:

- Not greater than 50,000 baht	Managing Director of subsidiaries / Senior Executive Vice President (in specific departments)
- Not greater than 5,000,000 baht	CEO
- Over 5,000,000 baht	Board of Director

2. Audit Committee

Authorities and Responsibilities of the Audit Committee

Audit Committee has the following scope of duties and responsibilities and is required to report to the Board of Directors:

1. To review and ensure accuracy and adequacy of the financial report

2. To review and ensure the appropriateness and efficiency of internal control and internal audit
3. To regularly review the company's compliance with securities and exchange laws, SET regulations, and relevant laws
4. To consider, nominate, dismiss, and recommend remuneration scheme of External Auditor
5. To consider, nominate, dismiss, and recommend remuneration scheme of Internal Auditor
6. To ensure accurate and complete disclosure of the company's information related to connected transactions or conflict of interest
7. To produce an Audit Committee Report as a part of the company's annual report
8. To perform any other duties as assigned by the Board of Directors under the Audit Committee's prior consent.

In 2018, the Audit Committee consists of:

Name	Position	Term of service
Mr. Metha Thamviharn	Chairman of Audit Committee	
Mr. Sakda Sinives	Member of Audit Committee	
Mr. Chatchawan Hasuwannakit	Member of Audit Committee	
Mr. Apichet Paiboonpan	Member of Audit Committee	Since 30 March 2018 and Ended on 14 August 2018

3. Nomination and Remuneration Committee

Authorities and Responsibilities of Nomination and Remuneration Committee

Nomination and Remuneration Committee has the following scope of duties and responsibilities and is required to report to the Board of Directors:

1. To consider the criteria and procedure in selecting qualified person (s) to assume the office of directors
2. To determine qualifications of nominated director (s) in writing or set out nomination practices and guidelines
3. To consider the shareholder (s) if that person (those persons) has all of the right qualifications to be nominated as director (s)
4. To review and screen the nominated candidate (s) to ensure that person's qualifications meets legal and governmental requirements

5. To select person (s) based on nomination procedure and to propose opinions to the Board of Directors, who shall further propose the name in general meeting of shareholders for appointment.
6. With approval of the Nomination Committee, to perform any other duties as assigned by the Board of Directors
7. To consider and review remuneration scheme and criteria for directors and executives. The scheme will be submitted to the Board of Directors, who approves the remuneration of executive. For the directors' remuneration, Board of Directors will propose it in the general meeting of shareholders for approval.
8. To consider and review the peers' remuneration scheme
9. To review and revise remuneration scheme to be appropriate and realistic
10. To consider evaluation criteria of director(s) assuming office of executives and propose to the Board of Directors
11. To consider annual remuneration scheme

4. Risk Management Committee

Authority of Risk Management Committee

The Risk Management Committee has duties and responsibilities and reports to the Board of Directors as follows.

1. Consider the risk management and control the business risk for an appropriate investment and operation.
2. Report the result of risk management to the Board of Directors, and, in case of important factors and events which may significantly impact to the company, immediately report to the Board of Directors for a quick response.
3. Consider other matters related to the risk of the company as assigned by the Board of Directors.

5. Corporate Governance Committee

Authority of Corporate Governance Committee

Corporate Governance Committee has duties and responsibilities and reports to the Board of Directors as follows.

1. Suggest policy of good corporate governance and establish guidance for a good operation and corporate governance.
2. Review good corporate governance principles to be in accordance with international standards, adjust the principles as appropriate.
3. Follow up the operation performance and report to the Board of Directors.

Remark: The Board of Directors' Meeting No.9/2017 dated 9 May 2017 resolved to temporarily suspend the company's sub-committees from performing their duties except for the Audit Committee which will continue to perform their duties. Should there be any urgent matters for other committees to consider, those matters are to be proposed directly to the Board of Directors.

Nomination and Appointment of Directors and Management

(1) Independent Directors

Criteria of Selection of Independent Directors

The qualification of independent directors is as follows.

1. Being not an employee nor consultant who receives regular salary or other benefits from the company; either its headquarter or subsidiaries, affiliates or related companies.
2. Being not related by blood or legal registration as father, mother, spouse, siblings, children, including spouses of siblings of children, the children of executives, major shareholders or powerful shareholders.
3. Hold less than 1% of paid-up shares of the company; either its headquarter or subsidiaries, affiliates or related companies, including shares held by related persons.
4. Being able to take care of the interests of every shareholder equally.

5. Being able to prevent conflicts of interest between the company and directors, major shareholders or other companies whose executives or major shareholders are of the same group.
6. Being able to attend the meeting of Board of Directors of the company to decide the important activity of the company. The previous qualifications is the same as the minimum requirements of SEC and The Stock Exchange of Thailand.

Balance of power between Independent Directors

The Board of Directors of the Company as of 31th December 2018 consists of 11 members as follows;

Executive Directors	2	persons
Non-Executive Directors	4	person
Independent Directors	5	persons

(2) Nomination of Directors and Management

The selection of individuals to be appointed as directors depends on discretion of Nomination committee, the Board of Directors and in accordance with the company regulations. The retail investors shall have the right to nominate the directors through the vote in the shareholders' meeting. Each shareholder shall have one vote per one share and may use all the right to vote for one or several individuals to be company director(s). However, the voters cannot split their right to several candidates, i.e. cumulative voting is not used in the vote. The candidate receiving the most vote and ones in following ranks shall be nominated as per the number of directors required in that vote. In the case where the candidates have equal votes and the equal ranks exceed the number of directors required, the president of the meeting shall cast a final vote.

If the position of director becomes vacant due to the reason other than the termination of regular terms, the Board of Directors shall nominate an individual whose qualification is in accordance to the law to be as a director in the next meeting. If the remaining term is less than two months, the director who takes the vacant position shall be in the position only within the remaining term.

The selection of executive officers who are not directors shall be at sole discretion of the Board of Directors.

Operation control of its subsidiaries

1. Mechanism for the operation control of subsidiaries.

The meeting of Board of Directors no. 13/2015 deliberates the resolution to modify the operation authorities which are regulations on approval system of company and subsidiaries, effective on 14th August 2015. The authority to act on behalf of the company is of The Board of Directors, unless otherwise consented by the Board of Directors to other individuals. The authority of general administration is given by managing director. The authority of approval in the work process can be classified in 8 categories; finance, administration, purchasing, human resources, general affairs. The meeting of Board of Directors no. 3/2017 deliberates the resolution to modify the operation authorities since 21 February 2017 and improve the implementation of the resolutions of the Board of Directors No. 18/2017 dated 25 August 2017.

Furthermore, individuals elected to be as members in subsidiaries Board of Directors of affiliate Company shall ensure that the affiliate company has complete and correct regulations on the acquirement, the discharge of assets or other important matters of such company, including the information disclose as same as the headquarter company, information storage, accounting reports ready to be inspected and can be gathered to make a financial statement on time.

2. Information and agreement between companies and other shareholders regarding administration in subsidiaries

-None-

Control of internal information use

The company has policies and measures to prevent unfair advantages over other shareholders and promoting equal treatment for all shareholders by not misusing the information including using inside information for their own gains such as purchasing stock. This is due to following measures established by the Board to prevent insider trading by any involved persons including directors, executives and employees in the information-related department including their spouses and minors.

- Involved persons are restricted from trading the company's stock during one-month period before the disclosure of quarterly and annual financial statements as well as at least one day after the disclosure.

- Employees who acknowledged any information which is at that moment still not disclosed to public and may affect the stock price must strictly refrain from purchasing or selling company's stock until the information is disclosed to public.
- Directors and high-level executives (from executive vice president upward including financial and accounting division executives) are obligated to report their shareholding upon assuming their office initially or after every change (purchase, sales or transfer) therein within 3 working days to the Office of Securities and Exchange Commission or report their holding for the Board of Directors' Meeting's acknowledgement every time the meeting is convened.
- Set up workplace security system to secure confidential files and documents.

Remuneration for Auditor

1. The company and subsidiaries remunerated audit fees to Grant Thornton Co.,Ltd. in 2018 amounting THB 8,217,500 and ACEVISION & ASSOCIATES PAC (Auditor for a subsidiary company in Singapore) amounting S\$ 3,850
2. Non-Audit fee
Remuneration for work under agreed procedure (Audit of Investment Promotion Project) amounting THB 75,000

Compliance with Principle of Good Corporate Governance for list companies

The company is determined and committed to operate the business while focusing on the preservation of shareholders' interests and responsibility to every group of stakeholders by continually adheres to the Thailand Stock Exchange's Principles of Good Corporate Governance for Listed Companies and use it as a guideline for company's operation and preservation of shareholders' interests. The principles of good corporate governance are detailed in the 5 following sections:

1. Rights of Shareholders

The company has policies to support and promote fundamental rights for every shareholder through widely-accepted and reliable measures and standard, entitling the shareholders to freely purchase, sell and transfer their assets, attending the meeting of shareholders or assign a proxy to attend the meeting, vote and express opinions in their stead freely, submit their questions prior to the meeting, freely express

their opinions in the meeting and exercise their rights to vote on important matters proposed by the Board for shareholders' approval such as the appointment of directors with expiring tenure, amendment of the memorandum of association and fixing remunerations for directors and auditors etc. In addition, the company also ensure that other processes are in compliance with rules and regulations of the Stock Exchange of Thailand such as the provision of significant information that may affect the company or the shareholders such as connected transactions, exercising of warrants, acquisition and disposal of assets of significant size as per the related regulation through SET's ELCID and the company's website.

2. Equitable Treatment of Shareholders

The company understands and values the rights of shareholders. In order to ensure equitable treatment for every shareholder, the company set the following measures to protect the right of shareholders:

1. Shareholders' meeting

Information provided to shareholders prior to the meeting

1.1 The company has a policy to support or promote every group of shareholder group, especially institutional shareholders to attend the shareholders' meeting. The company shall send out the meeting invitation which indicates time and venue of the meeting, including the agenda to shareholders. The detailed explanations and reasons for a consideration of the agenda shall be stated in Notice of Annual General Meeting and Extraordinary General Meeting of Shareholders.

1.2 For shareholders' meeting, the company shall organize a suitable venue that all shareholders can attend. The meeting program and duration shall be appropriate to the agenda. We also encourage the shareholders to submit their question related to the company before the meeting as we have clearly set the instruction of question submitting. The company will inform of the question acceptance at the same time that the shareholders' meeting invitation is sent. Furthermore, the company has announced the criteria of the question to be submitted as an agenda of the meeting the on the company website.

1.3 The retail shareholders shall propose the candidates' name for a selection of directors before the Annual General Meeting of shareholders as per the nomination regulation of the company.

1.4 The company shall facilitate for the shareholders to exercise their right of meeting attendance and vote, and avoid any actions that may hinder their attendance. For example, the voting process in the meeting shall not be overly complicated or costly and the venue of the meeting must be convenient for the shareholders to attend.

1.5 The company shall protect the right of each shareholder and treat them equally. The shareholders shall be entitled to company's information both in Thai or English.

1.6 The company has delivered the notice of annual general meeting of shareholders containing the agenda of the meeting with a detailed explanation and reasons for consideration of the agenda for the shareholders prior to the meeting of shareholders at least 14 days.

1.7 Protection of the retail shareholders' rights

The company encourages retail shareholders to propose an agenda prior to the meeting of shareholders or nominate nominees at least 45 days prior to the meeting date. The addition of meeting agenda or proposal of nominees to be a director shall be in accordance with the law and regulations of the company.

1.8 Stakeholding directors

The company has a policy to prevent the directors who are also stakeholders involving the subject of any agenda from participating in the consideration of such meeting agenda.

2. The operation on the day of shareholders' meeting

2.1 The company encourages the meeting organizers to make use of technologies for to facilitate the processes in shareholders' meeting including shareholder registration, vote counting, scoring result so as to have correct and accurate information and fast meeting.

2.2 All directors including members of sub-committees and the company secretary shall attend the meeting every time including independent legal advising inspector who shall oversee that the meeting proceeds transparently and lawfully. Should they do not have important duty on such days, the executive officers shall attend the shareholders' meeting to answer the questions as well.

2.3 All shareholders are entitled to attend the shareholders' meeting. During the meeting sessions, the shareholders shall have the right to question or propose an idea to the meeting according to the agenda. The chairman shall allocate the time appropriately to encourage the attendees to propose an idea and question in the meeting.

3. Post-meeting procedures

3.1 Preparation of the meeting minutes and disclosure of shareholders' meeting resolutions

In the minutes of shareholders' meeting, the company shall process the report, voting process and announcement of voting results for the meeting's acknowledgement before the meeting session, including the question time for shareholders. The meeting shall also have a record of questions,

answers and voting result of each issue which includes the number of votes that agree or disagree with the issue as well as abstention. The name of present attendees including the name of absent directors in each meeting shall also be recorded.

3.2 The company secretary shall prepare a complete, correct and clear meeting minutes for submission to the Stock Exchange's ELCID, Securities and Exchange Commission (SEC) as well as disclose to the shareholders about the voting results of each agenda in the company's annual and extraordinary general meeting of shareholders through the company's website within 14 days from the date of meeting.

3. Roles of Stakeholders

The company has established policies and measures towards each different group of stakeholders and is aware of and respect legal rights and agreements of all stakeholders with company's employees at all levels obligated to perform their duties in accordance to the measures as follow:

1. Determination of policies regarding the treatment of stakeholders

1.1 The company divided the stakeholders into different groups; shareholders, business partners, customer, employees, cooperators, debtors, creditors, community and related governmental or private authorities. The company created communication channels to response the request of such groups sufficiently.

1.2 The company has the commitment to take care of our customer systematically in terms of health, safety and remuneration that may be requested during the use of products or service.

1.3 The company established the corporate social responsibility to build a positive relationship with the community where the company is located. We have plans of environmental preservation and safety and avoid making the impact to the environment which is caused by the operation. The company has the remuneration plan in case of accident and has plans to solve the problem sustainably. Besides, we use European standard in the construction of the plant to ensure that the supply chains of the company is environmentally friendly and the materials are used efficiently.

1.4 The company has a measure of the fair treatment and responsibility to the creditors by an appropriate guarantee to the creditors according to business agreements and a good business practice.

1.5 The company has signed a partnership against corruption and encourage our employees to be aware of the importance of this. Besides, we have organized and promoted activities to cultivate our employees to work in compliance with the laws and related regulations.

1.6 The company gives the importance to fringe benefit of our employees. The employment contract is based on fairness. They will be given remuneration appropriate to their ability in order to motivate them to dedicate themselves to the organization. The company has established safety measures to ensure a good working environment and organized activities to make our employees respect the working disciplines. All employees shall be taken care of equally. Furthermore, the company has conceived plans to solve the problems that leads to the termination of employment by any reason.

1.7 In order to ensure an equal treatment of all stakeholders and that the operation is in accordance with the principle of good governance, we have created a communication channel to receive complaints or requests, including opinions and suggestion that the stakeholders think it may lead to a negative impact to themselves or other stakeholders due to the business operation, misconduct of employees, or any action that is likely to be a corruption or unequal treatment of stakeholders, including negligence or lack of prudence. The stakeholders may inform the company through its website or through an e-mail CGCommittee.iec@gmail.com. The company will inspect the case as per our measure and record all progress in writing. The name of the informer shall not be disclosed and the complaint shall be kept confidential to protect the informers and prevent the impact that may occur to them.

1.8 The selection of business partners

1. The duration that the company receives the products for a test must be limited and shall return the material for testing to the business partner/ seller immediately when the test period is terminated. The test must be carefully made so as to efficiently prove its quality and competency. All test process shall be recorded in writing to be as the reference for consideration when necessary.

2. The company shall not invite business partners/ sellers to bid when such product or service is not necessarily required. The qualification, dedication and ability of sellers shall be considered and the company shall invite only selected sellers for a bid with the expectation to use the product or service of the seller who wins the competition.

3. All bidders shall be treated equally by the company.

4. All information on price quotes or bidders shall be kept confidential.

5. The company shall perform a bid with transparency, fairness and honesty. There shall not be any unfair influence interfering with our consideration.

3. Business operation under environment standards

The company controls its emission of wastes in strict compliance with the regulations set by the Pollution Control Department, Ministry of Natural Resource and Environment. IEC's power plants consistently monitor pollution level and control the discharge of industrial wastewater in addition to regularly submitting reports in adherence to the government agencies' regulations.

4. Disclosure and Transparency

The Board of Directors shall be responsible for a complete, correct and on-time disclosure of information on finance and other matters through communication channels of stock market according to the annual report form (form 56-1) and other channels such as company website. The information is presented in English and Thai and shall be always updated.

In 2017, the company disclosed the information through Stock Exchange of Thailand's ELCID as well as providing investor relations services by phone, providing more channels to swiftly and accurately disclose the company's information for investors, shareholders and stakeholders.

5. Responsibilities of the Committees

The Board has an important role as the representative of shareholders in setting vision, mission, plans and budget in order to achieve the operational goals as well as ensuring that the executives' operation is in compliance with the set policies and performed with fairness, transparency and in accordance with related laws, regulations, policies and business ethics. The committee also highly values internal control and internal audit.

Compliance Unit

The Board values and strives to ensure that the company and its affiliates operation are in compliance with the regulations with Internal Audit Office overseeing the process.

Appendix Information about the Directors, Executives, Auditors and Company Secretary**The International Engineering Public Company Limited**

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/ Training	Share- Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
Mr. Pongkavin Jungtrungruangkit	Chairman and Chief Executive Officer Appointed as Director by the Board of Directors' Meeting No. 14/2017 on 4 July 2017. (Retired as Chairman and Director offices on 20 September 2018, Retired as Chief Executive Officer on 29 October 2018)	38	-Bachelor of Engineering, Rangsit University -Master of Business Administration, Rangsit University	-	2017-2018	Director/Chief Executive Officer	The International Engineering Plc.
					2017	Chairman of the Board Chairman of the Board Chairman of the Board Chief Executive Officer Chief Executive Officer Chief Executive Officer Executive Chairman	Chiangrai Frozen Foods Co., Ltd. Pinehurst Willz Co., Ltd. Aerosoft Summit Footwear Co., Ltd. (Cambodia) Summit Star Home Co., Ltd. Ruanjai Pattana Kwamroo Co., Ltd. Znoozio Co., Ltd. Summit Pinehurst Golf Club Co., Ltd. (Pinehurst Golf Club)
Mr. Santichai Teowsomboonkij	Vice Chairman and Director Appointed as Director by the resolution of 2017 Annual General Meeting on 22 May 2017.	66	Bachelor of Science Program in Agriculture, Kasetsart University Bang Khen	-	Present	Representative of the Faculty of Agriculture	Kasetsart University
					2017-Present	Director/Vice Chairman	The International Engineering Plc.
					1984	Marketing Manager	Lee Feed Mill Plc.
					1980	Vice Manager	Centaco Co.,Ltd.
					1978	Vice Sales manager	Central Food Products Co., Ltd.
					1975	Animal Husbandman	Charoen Pokphand Foods Public Co., Ltd. (C.P.)
Mr. Metha Thamvitharn	Member of Audit Committee / Independent Director Appointed as Director by the Board	61	Bachelor of Laws, Ramkhamhaeng University	-	1984-Present	Chief of Lawyer	Artit Law Office
					1984-Present	Director	The International Engineering Plc.
					2018-Present	Chairman of the Audit	The International Engineering Plc.

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/Training	Share-Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
	of Director Meeting No. 16/2015 on 14 May 2015. -Chairman of the Audit Committee (Appointed as Chairman of the Audit Committee by the Board of Directors' Meeting on 30 March 2018)				2015-2018	Committee Audit Committee	The International Engineering Plc.
Li. Gen. Wattana Petchmongkol	Director Appointed as Director by the resolution of 2017 Annual General Meeting on 22 May 2017	73	B.A. (Communication Arts)	-	2017-Present 2007-2018	Director Advisor	The International Engineering Plc. J.J. Mall Co., Ltd.
Mr. Poorich Nanawaratorn	Director Appointed as Director by the resolution of 2017 Annual General Meeting on 22 May 2017	56	Bachelor of Political Science, Ramkhamhaeng University	-	2017-Present 2011-Present 2012-Present	Director Director Director	The International Engineering Plc. Max Recycle Co., Ltd. Poorich Petroleum Co., Ltd.
Mr.Komol Jungnungruangkit	Director Appointed as Director by the resolution of 1/2017 Extraordinary General Meeting on 20 October 2017. Chairman of the Board	67	Matthayom 3, Wat Hua Lumphong School	4.26	2017-Present 2011-Present 1979-Present	Director/Chairman of the Board Honorary Advisor Executive Chairman Executive Chairman Executive Chairman	The International Engineering Plc. Agripure Holdings Plc. Summit Footwear Co., Ltd. Summit Pinehurst Golf Club Co., Ltd. Pinehurst Willz Co., Ltd. Summit Star Home Co., Ltd.

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/Training	Share-Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
	(Appointed as Chairman of the Board by the Board of Directors' Meeting on 20 September 2018)					Executive Chairman Honorary Advisor Honorary Advisor Honorary Advisor Honorary Advisor	Ruanjai Pattana Kwamroo Co., Ltd. Ruanjai Pattana Foundation River Kwai International Food Industry Co., Ltd. Chiangrai Frozen Foods Co., Ltd. Qualimer Co., Ltd. Agri Fresh Co., Ltd.
Chachawal Hasinwanakij	Director (Appointed as Director by the resolution of 1/2017 Extraordinary General Meeting on 20 October 2017. -Audit Committee (Appointed as Audit Committee by the Board of Directors' Meeting on 30 March 2018)	46	-Bachelor of Engineering (Electrical Power), King Mongkut's Institute of Technology Ladkrabang -Master of Computer Science, Prince of Songkla University	0.091	2017-Present 2009-Present 2004-2009 1999-2000	Director/Audit Committee Optical Fiber Engineer Businessman Engineer	The International Engineering Plc. FOtech Limited Partnership, Bangkok Ban Ya Pa Sawang, Hat Yai, Songkhla province Safeskin Medical & Scientific (Thailand) Ltd. Songkhla province

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/Training	Share-Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
Mr. Pornthep Ittisonpan	Director Appointed as Director by the resolution of 1/2017 Extraordinary General Meeting on 20 October 2017.	36	Bachelor of Commerce (Accounting), Macquarie University, Sydney, Australia	0.018	2017 - Present	Director	The International Engineering Plc.
					2016 - Present	Executive Director	Sri Sansuk Property Co., Ltd. (Townhome & commercial building project, Sri Racha, Chonburi province)
					2014 - Present	Chonburi YEC Member	Young Entrepreneur Chamber of Commerce for Chonburi Member Network and Businesses Development & Sustainability Program
					2014 - Present	Member	Member of Chonburi province Chamber of Commerce
					2011 - Present	Executive Director	900 units of Seven Places-affiliated apartments
					2011 - 2016	Managing Director	SRT Property Co., Ltd. (Bang Saen Commercial building & condominium development project, Chonburi province)
Mr. Dumrong Putiput	Director Appointed as Director by the resolution of 1/2017 Extraordinary General Meeting on 20 October 2017. -Chief Executive Officer (Appointed as Chief Executive	57	-Bachelor's Degree Industrial Engineer, Institute of Technology and Vocational Education, Thewet Bangkok. - Certificate Master Industrial Management (MINI MIM), King's Mongkut Institute of Technology, North Bangkok (KMUTNB) - Certificate Modern Manager Program (MMP),	-	2009 - 2011	Accounting Manager	Pink Chili Limited Partnership, Linfield, Sydney, Australia
					2018 - Present	Director	IEC Sakaew I Co., Ltd./IEC Mae Tha Mae Jaeng Co., Ltd./Gidee Co., Ltd./IEC Green Energy Co., Ltd./IEC Business Partner Co., Ltd./NFS(2010) Co., Ltd.
					2018 - Present	Director/Chief Executive Officer	The International Engineering Plc.
					2013 - Present	Technical and Project Director	Khonburi Sugar Plc.
							Power and Sugar Industry

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/Training	Share-Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
Mr. Apichet Paliboolpan	Officer by the Board of Directors' Meeting on 29 October 2018)		Chulalongkorn University.				
	Director Appointed as Director by the resolution of 1/2017 Extraordinary General Meeting on 20 October 2017.	47	- Master of Science, Mae Fah Luang University - Master of Business Administration, Assumption University - Bachelor of Business Administration, Assumption University - IOD Member - Anti-Corruption the Practical Guide (ACPG) Class 41/2017	0.053	2018 - Present	Director	IEC Sakaew Co., Ltd./IEC Mae Tha Mae Taeng Co., Ltd./Gidee Co., Ltd./IEC Green Energy Co., Ltd./IEC Business Partner Co., Ltd./NFS(2010) Co., Ltd.
	-Senior Executive Vice President (Appointed as Senior Executive Vice President by the Board of Directors' Meeting on 29 October 2018)				2017 - Present	Director/Senior Executive Vice President	The International Engineering Plc.
	-Audit Committee (Appointed as Audit Committee by the Board of Directors' Meeting on 30 March 2018, Retired 14 August 2018)				2008 - Present	Director	Highways Logistics Co., Ltd.
					2006 - 2008	Executive	UPS Worldwide Logistics Co., Ltd.
					2005 - 2006	Manager	Fritz Transport Co., Ltd.
					2000	Deputy Manager	IPT Petrochemicals Co., Ltd.
Mr. Sakda Sritiwet	Director Appointed as Director by the resolution of 1/2017 Extraordinary General Meeting on 20 October 2017	64	- Bachelor of Agriculture Program in Agricultural Extension, Sukhothai Thammathirat Open University - Master of Science Rural Development, Central Luzon State University, Philippines.	-	2017 - Present	Director/Audit Committee	The International Engineering Plc.
	- Audit Committee (Appointed as Audit Committee by the Board of Directors' Meeting on 30 March 2018)				2011 - Present	Independent Director / Audit Director	Agripure Holdings Plc.
					2008 - Present	Level QA Specialist	The quality of agricultural Products Department of Agricultural Extension
					1978 - 2015	Agricultural Specialist	Bureau of Agricultural Product Quality Development, Department of Agricultural Extension

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/Training	Share-Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
LT Gen Jadet Jaimun	Director / Independent Director (Appointed as Director by the Board of Directors' Meeting on 20 September 2018)	65	- Advance Security Management Program (Class S, 2014), National Defense College of Thailand - Master of Arts (Security Studies) Command and General Staff College (1997 Class) - Bachelor of Science, Chulachomklao Royal Military Academy (Class 25, 1978)	-	2018 - Present 2014-2015	Director CEO Advisor	The International Engineering Plc Army Radio and Television
Miss Reuthairat Thongjarean	Chief Financial Officer	36	- Master of Business Administration in Finance and Banking, Ramkhamhaeng University - Bachelor of Business Administration in Accounting, Dhurakij Pundit University - Federation of Accounting Professions' Training Program, 8 hours	-	2018 - Present 2016-2018 2010-2016	CFO Director (Analysis, Financing and Budgeting) Director (Account) Corporate Finance and Budgeting Senior Manager, Account and Finance	The International Engineering Plc P Mart Superstore Co., Ltd Siam Advantech Co., Ltd
Mr. Varin Maschai	Executive Vice President	41	Bachelor of Science in Technical Education (Mechanical Engineering), King Mongkut's University of Technology North Bangkok	-	13/7/2017 - Present	Acting Senior Executive Vice President - Operation Director/Managing Director Director/Managing Director Managing Director	The International Engineering Plc Biomass Power Plant Sakaeo 1 (IEC Sakaeo 1 Co.,Ltd.) Solar Power Plant (IEC Mae Tha Mae Taeng Co.,Ltd) Waste to Energy Power Plant (Gidee Co.Ltd.)

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/Training	Share-Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
Miss Duangjai Nilapan	Executive Vice President – ICT / 25 August 2017 And acting Senior Executive Vice President – ICT / 29 May 2018	49	-Master of Sciences (Industrial Psychology), Kasetsart University -Bachelor of Public Administration, Prince of Songkla University		2008-2015	Director/Managing Director Plant Operation Manager	IEC Green Energy Co., Ltd. National Power Plant Co., Ltd.
					29/8/2018 - Present	Executive Vice President and Acting Senior Executive Vice President - ICT	The International Engineering Plc
					25/8/2017-28/8/2018	Executive Vice President - ICT And Acting Senior Executive Vice President - Management	The International Engineering Plc
					13/7/2017-24/8/2017	Acting Senior Executive Vice President - Management And Acting Senior Vice President - ICT	The International Engineering Plc
					25/4/2017 - 12/7/2017	Executive Vice President – Management and Acting Vice President - ICT	The International Engineering Plc
					1/8/2015 - 24/4/2017	Senior Vice President - ICT	The International Engineering Plc
					2/4/2015-31/7/2015	Vice President -ICT	The International Engineering Plc
					1/3/2013-1/4/2015	Vice President- System Integration	The International Engineering Plc

Name - Surname	Title/Date Appointed	Age (Year)	Educational Background/Training	Share-Holding (%)	Past 5 Years Work Experience		
					Period	Title	Company/Business
Mr. Somchai Wutisart	Senior Vice President - Legal	51	Bachelor of Law, Chulalongkorn University		2017 - Present	Senior Vice President / Legal Director	The International Engineering Plc IEC Mae Tha Mae Taeng Co., Ltd.
Miss Duangporn Kumwicht	Senior Vice President - Account (Chief Accountant)	41	Bachelor of Business Administration, Rajamangala University of Technology - 2018 Thai Financial Reporting Standards (IFRS) and Tax update Training Program, 7 hours - Statement of cashflow preparation training with workshop, 7 hours	-	2017 - Present 2012-2017	Senior Vice President /Account Assistant Accounting	The International Engineering Plc Chokchai Food and Restaurant Co., Ltd.
Mr. Supanat Poonsawat	Company Secretary	33	Bachelor of Law, Ramkhamhaeng University	-	2017-Present	Senior Legal Manager/ Company Secretary	The International Engineering Plc.

Remarks : (1) Relationship related to Executive - None
 (2) IOD stands for Thai Institute Of Directors
 (3) DAP stands for Director Accreditation Program
 (4) DCP stands for Director Certification Program

Structure of Shareholders

The following table presents a list of major shareholders who own a minimum of 0.5% of total shares as of 3 April 2018 which was the record date (whereby the list of shareholders entitled to attend the 2018 General Meeting of Shareholders was gathered). As of the record date, the Company had 203,591,502,350 of subscribed shares.

Name	Surname	Number of Shares	Proportion of Shareholding (%)
1 Mr. Komol	Jungrungruangkit	8,664,613,362	4.256%
2 Mr. Thidchuan	Nanawarathorn	7,000,000,000	3.438%
3 Mr. Kornchanan	Thananpong	3,928,875,562	1.930%
4 Mr. Surat	Itsophonphan	3,402,480,904	1.671%
5	Thai NVDR Company Limited	2,520,842,787	1.238%
6 Mr. Vichit	Chinwongwarakul	2,269,800,000	1.115%
7 Mr. Veerasak	Boonyaworamethee	1,414,532,499	0.695%
8 Miss Sakuntala	Chokpingpitak	1,062,914,184	0.522%
	Total shares owned by first 8 major shareholders	30,264,059,298	14.865%
	From the Total Number of Shares	203,591,502,350	Shares

- 1) Business engagement by holding shares in other companies (Holding Company)

-None-

- 2) Agreement among major shareholders

-None-

Details of Shares

The Company's authorized share capital and paid-up share capital as of 31 December 2018

- Authorized Share Capital : THB 4,476,576,274.26
- Paid-up Share Capital : THB 2,493,357,781.22
- 1) All Sold Ordinary Shares : 249,335,778,122 shares
- Number of Preferred Shares : -None-
- 2) Other types of shares : -None-

Other Capital Issuance**1. Warrant (IEC-W2)**

- Type of Securities: Warrant to purchase ordinary shares of the International Engineering Public Company Limited #2 (IEC-W2) is valid for 3 years, commencing on 23 May 2016. The warrant can be exercised on the last business day of the end of each quarter (March, June, September, and December of each year). The exercise prices for the purchase of ordinary shares are as follows:

Year 1 (23 May 2016 to 22 May 2017)

The exercise price is THB 0.025 per share (two point five satang)

Year 2 (23 May 2017 to 22 May 2018)

The exercise price is THB 0.035 per share (three point five satang)

Year 3 (23 May 2018 to 22 May 2019)

The exercise price is THB 0.045 per share (four point five satang)

The warrant to purchase ordinary shares of the International Engineering Public Company Limited #2 (IEC-W2) has been registered as listed securities with a total number of share of 40,670,703,826 at the Stock Exchange of Thailand (SET). SET has accepted IEC-W2 as listed securities and has specified the trading date on the security trading system of SET, commencing on 14 June 2016 onwards. The details of the exercise of the warrants are shown in the table below.

Exercise of Warrant IEC -W2	Number of Warrants (Unit)	Exercise Ratio	Exercise Price (THB per share)	Exercise Date	Number of Shares Issues for Exercise of Warrants (shares)	Number of Shares Issued to Accommodate Exercise of Remaining Warrants (shares)
1. IEC -W2 Period 1	19,295,541	1.00: 1.00	0.025	30 Jun 2016	19,295,541	40,651,408,285
2. IEC -W2 Period 2	31,881,976	1.00: 1.00	0.025	30 Sep 2016	31,881,976	40,619,526,309
3. IEC -W2 Period 3	4,640,884	1.00: 1.00	0.025	30 Dec2016	4,640,884	40,614,885,425
4. IEC -W2 Period 4	140,262,699	1.00: 1.00	0.025	31 Mar2017	140,262,699	40,474,622,726
5. IEC -W2 Period 5	0	1.00: 1.00	0.035	30 Jun 2017	0	40,474,622,726
6.IEC -W2 Period 6	0	1.00: 1.00	0.035	29 Sep2017	0	40,474,622,726
7. IEC -W2 Period 7	0	1.00: 1.00	0.035	29 Dec2017	0	40,474,622,726
8. IEC -W2 Period 8	0	1.00: 1.00	0.035	30 Mar 2018	0	40,474,622,726
9. IEC -W2 Period 9	0	1.00: 1.00	0.045	29 Jun 2018	0	40,474,622,726
10. IEC -W2 Period 10	0	1.00: 1.00	0.045	28 Sep 2018	0	40,474,622,726
11. IEC -W2 Period 11	0	1.00: 1.00	0.045	28 Dec 2018	0	40,474,622,726

2. Bonds

The Company issued the bill of exchange (B/E) to raise fund for future investments and/or for working capital, depending on the needs at that particular period. The total offering value is not exceeding THB 200 Million. The bill of exchange has maturity period of not exceeding 270 days with a placement to investors up to 10 and not exceeding 10 B/E at any point in time (PP10).

Throughout 2018, the Company offered B/E to 2 investors at the total offering value of THB 180 million. As for 31 December 2018, there were THB 50 million worth of undrawn B/E. The maturity date as appeared on the bill was 1 March 2019. It was agreed however that B/E is payable before the date of maturity.

Dividend Payment Policy

- Policy of the Company : Unless otherwise necessary and dividend payment has no significant effect on the Company's operation, the Company will pay dividend at the rate of not below 70% but not more than 90% of net profit after tax deduction
- Policy of the Subsidiaries : -Not Specified-

Corporate Social Responsibility

Despite being affected in various areas of its business operations in 2016, the Company determines to build an integrated renewable energy business with a main business activity being electricity generation from various forms of renewable energy. It is also a Company's aim to continuously drive business improvements that are in line with the management principles of sustainable development, in order to strike a balance in the areas of economy, society, communities, and environment. Although some businesses are still facing issues with the nearby communities, the Company has invested great effort in resolving the problems, organizing community relation activities, and contributing to activities in the communities, with a desire to see the communities and the business exist and grow together in a sustainable manner.

Furthermore, the Company has been actively engaged in the environmental management by raising awareness within the organization and among the surrounding communities. The Company recognizes a green space development as an important contribution to the goal of restoring balance to the nature, and, therefore, has initiated projects to create green space within the plant area, improve the landscape and maintain the environment around the plant site, and plant trees together with the communities, etc. The corporate social responsibility actions the Company initiated in 2018 were as follows:

1. Environmental Impact Reduction

The waste-to-energy power plant at Hat Yai District, Songkhla Province places great importance on the environmental impact of society and, therefore, has taken initiatives to conduct an opinion survey, clarify problems, and implement measures to resolve environmental issues. With the recent problem regarding the foul odour of waste that has affected the surrounding communities, the Company has set out to resolve the issue by spraying enzymes and EM (Effective Microorganisms) to eliminate odour originating from solid waste collected from Hat Yai Municipality and from the waste unloading yard in the plant area. In 2016, the waste-to-energy power plant at Hat Yai District, Songkhla Province implemented several environmental management actions as follows:

- Change of Bag Filter to keep pollution level within the standard permissible limit. The system is capable of filtering dust particles of 0.1 micron in size.
- Send data of the Continuous Emission Monitoring Systems (CEMS) measurement data transmission online to Department of Industrial in Songkhla province to check the operation all the time.
- Building closed to fix problems with odour. The building was constructed 30x40 meters to control odour to affect the neighbourhood.
- The addition of 3 meters high concrete around the building to prevent the odour of waste water to outside.
- Duct Work to absorb odour from garbage room to the stove burns.
- Installation of Ozone production to control odour.

The Waste Plastic-to-Recycled Plastic Pellets Production Plant is located at Nikom Pattana District, Rayong Province. The plant's construction began in the middle of 2015, and at present the plant produces B Grade plastic pellets from recycled waste plastics. After a test-run of the production machinery, the nearby communities have been affected by foul smell from wastes used in the production process. The company has modified the production process to solve the problem are as follows:

- Change of raw materials from waste plastic bags into plastic scrap industry to prevent the smell from waste.
- Control the audio production by making the building is closed.

The Sakaeo Biomass Power Plant is determined to operation under the environmental management system, as required by the Company's environmental policy, which focuses on pollution prevention and environmental law compliance. In 2018, the Company conducted an annual environmental risk assessment and decided on action plans to deal with and prevent pollution issues. The environmental investments the Company has entered into are as follows:

- **Production Process Wastewater Collection System** – in the past, there were several point sources of wastewater discharge from the Boiler Zone in the production process. These are Blow down boiler, Sampling, Drain deaerator, and Coolant. Without proper wastewater collection system in place, wastewater ran to the storm water drainage system before being discharged outside the plant area. A wastewater collection system was, hence, constructed to transport wastewater produced as part of the production process to the treatment pond. This approach also helps prevent wastewater from flowing into the storm water gutters.

- **Neutralization Pond Actual 50%** - the environmental assessment revealed that the production process wastewater had a pH value exceeding the wastewater quality standard. A neutralization pond was therefore set up with a chemical system capable of treating wastewater from the production process. The system incorporates 50% sulfuric acid (H₂SO₄) into wastewater to ensure acceptable wastewater quality.
- **Dust barrier and levee surrounding the power plant**

By implementing such measure in 2018, IEC Sakaeo managed to was able to operate without any complaint about pollution or environmental concern from the surrounding communities.

Solar power plant project at Lampoon province and Mae Malai, Chiang Mai province

The Company has policy against the use of herbicide and regularly conduct water quality test around the projects every year in order to ensure that there is no pollution resulting from energy production.

2. Taking part in community development

Waste-to-energy Power Plant at Hat Yai District, Songkhla Province

- **Waste bank project:** First began in August 2015 up until now. The project has continually been purchasing wastes from 2 schools which are Bueng Pichai school and Baan Tung Liab school. The company has been purchasing recyclables such as plastic bottle, paper scrap and plastic bag in order to cultivate the mindset among the children to realize the importance of environment by promoting waste sorting to reduce the amount of waste as well as reusing the reusables. This year, the amount of waste in those schools decreased by 3% due to less spending among the students, resulting in reduced amount of accumulated wastes per month. The Company has a plan to expand the purchase wastes from the community in order to bolster their income.

Public relation campaign with the communities surrounding the power plant

- On 3 November 2018, GEC Co., Ltd. Participated in Kathin ceremony with the local community at Kuan Lung temple in which the Company also donated 10,000 Baht to the temple to assist with the construction of new building.

- On 5-11 November 2018, GIDEC Co., Ltd. participated in Pomelo Hom Khuanlang activity by setting up a booth to publicly inform about the waste-to-energy power plant. GIDEC presented about the electricity generation process, waste sorting and waste management in addition to quiz game and handing out memorabilia to the participants. The Company also let the employees display their inventions which was made using scrap materials as another way of creating values.
- On 11 November 2018, GIDEC participated in Kathin ceremony at Nern Kum Tong monk residence in which the Company prepared Kathin flower tray while letting the employees participate in the ceremony. The Company also donated 10,000 Baht for religious purpose.
- On 22 November 2018, GIDEC helped promote 2018 Loy Krathong festival with Kuan Lung municipality. The festival consists of Krathong contest, Kradang Nga beauty pageant and stage shows.
- On 22 November 2018, GEC helped promote 2018 Loy Krathong festival with Koh Wat temple community in which there also was Junior Noppamas beauty pageant.

Solar power plant project at Lampoon province and Mae Malai, Chiang Mai province

- **Solar energy learning space** in which the Company allows the students and citizens as well as government agencies to visit the site and inquire about the operation so they can use the knowledge to improve upon their alternative energy generation capability.
- **Accepting intern** to allow college students studying in electricity and alternative energy field to learn in a real environment to boost their skills and knowledge.
- **Subsidize energy fund** so the local community may use such fund to develop the local area. In the past year, the local fund committee of Ta Kad village used the fund to purchase table sets to be used for public activities.

Public relation campaign with the locals surrounding the power plant

- Helped promote children's day activities in association with Ta Kad municipality and Ta Kad Nuea municipality.
- Participated in robe offering ceremony to the local temples in Lampoon and Chiang Mai provinces.
- Promote youth football team in Lampoon province.

- Promote school sports day in Ta Kad municipality and Ta Kad Nuea municipality areas.
- Promote hiring of locals for grass trimming and solar cell maintenance in accordance with the Company's policy on human rights and anti-discriminatory practice as well as preparing equipment for the job in accordance with the standard of safety. Maintenance of solar cells were also conducted with regards for the local environment by using only tap water to prevent side effects on the surrounding communities.

The Waste Plastic-to-Recycled Plastic Pellets, Rayong province

- Community friendship activities with the locals surrounding the plant at Rayong province through such as joint Kathin ceremony with the surrounding communities
- The project also allows the locals in the surrounding communities to sell their products to the plant's employees and letting the locals do plastic sorting for extra income.

Sakaeo Biomass Power Plant

- **Tri-party wastewater management and remedy program** for the environment along Phra Prong canal as representative of businesses located near Phra Sathueng river basin in order to participate in tending and preserving the Phra Prong-Phra Sathueng river basin of Sakaeo and Prachinburi province. The Company was assigned to a task force in accordance with Department of Industrial Works' order No.187/2559 re: Appointment of tri-party task force to manage wastewater and remedy environment problems along Phra Prong canal.

Public relation campaign with the community surrounding the power plant

- Volunteer program in association with Nong Sai's locals to repair roads in the community as well as broken manhole covers.
- Children's day activity whereby sports equipment was donated to the school in Nong Sai community.
- Kathin ceremony and offering of candles to the temple in association with Nong Sai locals.
- Friendship sports match with Nong Sai locals.

Internal Control and Risk Management

1) Opinion of the Board of Directors

The Board of Directors Meeting No.1/2019 was held on 13 February 2019 with attendance from the Audit Committee/Independent Directors. The Board of Directors assessed the internal control system of the Company based on information given by the management, and concluded that from the assessment of the Company's internal control of various functions according to the guidelines set in the Internal Control Sufficiency Evaluation Form of the Securities and Exchange Commission, Thailand, covering 5 main sections and 17 sub-principles, the Board deemed the company internal control system can be used to control the operation and needs development in company internal control system to be more efficient.

2) Opinion of the Audit Committee in case of different from the Company's Board of Directors

- None -

Related Transactions

with Direct and Indirect Subsidiaries

1. Transactions with related parties

Related transactions made between the Company and its subsidiaries, direct and indirect, including pricing policy and interest rate applied are as shown in Item 6 of the Note to the Financial Statements Quarter 3/2016 (Nine-months period)

- Related Transactions of subsidiaries, direct and indirect, with their relationships are as follow:

1. The International Engineering Public Company Limited	
Direct Subsidiary	Related Transactions
1. IEC Green Energy Co., Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 2,049,900 baht ● Interests received at the rate of 8.5% per annum, amounting to 67,311,489 baht
2. IEC Business Partners Co., Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 778,575 baht
3. NFS (2010) Co., Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 483,375 baht
4. IEC Mae Ramat Co., Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 2,271,375 baht ● Interests received at the rate of 8.5% per annum, amounting to 6,216,937 baht ● Dividend as per resolution of the meeting of shareholders amounting to 45,145,614 baht

5. E – Contech Management Pte. Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 687,246 baht
6. IEC Sakao 1 Co., Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 4,074,225 baht ● Interests received at the rate of 8.5% per annum, amounting to 5,939,294 baht
2. IEC Green Energy Co., Ltd.	
Direct Subsidiary	Related Transactions
1. IEC Green Energy Co., Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 3,725,475 baht ● Interests received at the rate of 8.5% per annum, amounting to 48,220,166 baht ● Lease of assets and other services as per contract, amounting to 28,290,150 baht
2. IEC Mae Tha Mae Taeng Co., Ltd.	<p>The following Related Transactions were made:</p> <ul style="list-style-type: none"> ● Revenue from administration and contract price amounting to 2,376,375 baht ● Interests received at the rate of 8.5% per annum, amounting to 4,444,826 baht

Necessity and rationale of connected transaction

In a case whereby the Company enter into any form of contracts or transaction is made between the Company and its subsidiaries, directly or indirectly, and a third party, the Company will consider based on necessity and appropriateness of entering into such transaction while prioritizing the benefits to the Company

Measure or procedure for approval of related transaction

In a case whereby the Company enter into any form of contracts or transaction is made between the Company and its subsidiaries, directly or indirectly, and a third party, in order to protect the benefits of the Company, the board of directors stipulated that the procedure must be done in accordance with the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions. Price and conditions must be set as if conducting transaction with any third party whereby stake holding directors or employees must not partake in the approval process.

Policy and tendency to conduct related Transactions in the future

Related transaction will be conducted. However, the Company will carefully exercise discretion in each related transaction while prioritizing the benefits to the Company.

2. Transaction between the Company and direct and indirect subsidiaries

Details as per Note to the Financial Statements Quarter 3/2016 (For nine-month periods)

Report of the Audit Committee

Dear Shareholders of The International Engineering Public Company Limited (IEC)

The Audit Committee has performed its duties in accordance to the scope, tasks, and responsibilities that are assigned by the Board of Directors to promote good corporate governance and conform to the Stock Exchange of Thailand's guidelines. The summary of its operations are as follows;

For the review of consolidated financial statements and separate financial statements of The International Engineering Public Company Limited and its subsidiaries of The International Engineering Public Company Limited, the Audit Committee has appointed Grant Thornton Limited, whereby Mr. Somkid Taitragul, Certified Public Accountant No. 2785, to be the auditor. Results from the auditor found that the consolidated financial statements and separate financial statements of The International Engineering Public Company Limited and its subsidiaries company of The International Engineering Public Company Limited show the consolidated financial positions and separate financial positions of The International Engineering Public Company Limited and its subsidiaries company of The International Engineering Public Company Limited, respectively, as of 14 December 2018. The auditor also gave a significant opinion to certify the Quarter 3 financial statements ending 30 August 2016 which was audited by the auditor.

For the review of the effectiveness of the internal control system and internal audit system of The International Engineering Public Company Limited and its subsidiaries company of The International Engineering Public Company Limited in 2018, due to the fact that personnel are being sought for the position of head of internal audit, the audit committee therefore resolved to have currently performing internal audit officers to observe and provide any necessary information to the accounting division to ensure trust, such as reviewing the management and purchase procedures made by IEC Mae Tha Mae Taeng Co., Ltd.

Please be informed accordingly.

Yours sincerely,



(Mr. Metha Thamviharn)

Chairman of the Audit Committee

Management Discussion and Analysis

Overview of business operations and significant changes

The Company's key policies and strategies for business operations in 2016 were as follows:

- Operating renewable energy business, consisting of solar energy power plants, waste-to-energy power plant, biomass power plant, and biogas power plant.
- Operating Recycled Plastic Pellet from Waste Plastic plant.
- Operating information and communication technology business, which involves information projects on procurement with the public and private sectors.
- Operating Engineering consulting services.

Projects Invested by the Company as of 30 September 2016

Investment projects	Investment budget (million baht)	Investment used (million baht)	Remark
Digital Mobile TV	250	154	The entire amount of assets was impaired. Now, the list of damages is being prepared, and the suing date is being scheduled.
Procurement of Potential Land for Power Plant Construction for Resale to Interested Investors, Chon Buri Province.	156	156	The land sale is being announced, and the average estimate cost of some pieces of land is 13.27 million baht less than the book value, which was recorded as loss due to impairment for 2015.
Recycled Plastic Pellet from Waste Plastic Production, Rayong Province.	751	667	The project is under construction.

Ethanol Plant, Rayong Province.	469	469	The entire amount of assets was impaired, which is waiting for the Administrative Court's consideration.
Development of Technology and the Model of Solid Waste Management by Processing MSW to Waste Fuel, Songkhla Province.	140	129	The project started to be commercially operated in April 2016.
Application of Technology and Development of the Model of the MSW Small Power Plant	125	122	The project is under construction.
Recycled Plastic Pellet from Waste Plastic Production, Songkhla Province.	157	74	The project is under construction.
Purchase of Ordinary Shares Thaworn Energy Co., Ltd. (2013) for Biogas Power Plant Investment.	125	40	The project is waiting for the call for the FiT bidding from Provincial Electricity Authority.
Rental of the Front-end System for Processing Raw Materials into Fuels.	74	26	The project is under construction.
Total	2,247	1,837	

Subsidiary Acquisition

- **Thaworn Energy (2013) Company Limited ("TE")**

The Board of Directors' Meeting on 23 March 2015 resolved to approve the Company's purchase of 1,250,000 ordinary shares from Thaworn Energy (2013) Company Limited ("TE"), which represented 100% of the issued and paid-up shares from existing four shareholders ("the Seller") (Mrs. Varaporn Petcharawan, Mr. Polpipat Srisuwan, Mr. Itthidetch Srisuwan, and Mr. Saran Usuk) at the price of 100 baht per share. The total value of the shares was 125 million baht, which was subject to the following share trade and payment conditions:

The first payment, amounting to 40 million baht, shall be made within 7 days from the date when the share purchase agreement is entered into under the condition that the Company receives a refund for paid shares if TE fails to receive the Permit of Factory Operation (Ro Ngo 4) and the Power Purchase Agreement (PPA) from the PEA. In addition, TE is prohibited from incurring any obligations on current or future assets, and the Seller shall allow TE to test biogas power generation to achieve satisfactory results.

The second payment, amounting to 85 million baht, shall be made to individual TE shareholders based on their shareholding proportion under the condition that TE receives the Power Purchase Agreement (PPA) from the PEA and the Permit of Factory Operation (Ro Ngo 4). The Seller shall allow TE to test biogas power generation to ensure satisfactory results.

The purpose for acquisition of the said company is investment in biogas power plant, which is consistent with the Company's strategic plan for investment and business operations in terms of distribution of biogas power plant in addition to the existing renewal energy power plants, i.e. biomass power plant, waste-to-energy power plant, and solar power plants.

On 2 April 2015, the Company entered into a share purchase agreement with Thaworn Energy (2013) Company Limited and made the first payment, amounting to 40 million baht, to four existing shareholders. This payment was recorded as investment in subsidiaries with a full amount of advance payment. The said project was approved by the Risk Management Committee, who completed the project risk assessment on 20 March 2015. At present, the project is waiting for the call for the FiT bidding from the Provincial Electricity Authority.

- **Nongree Power Plant Company Limited**

On 27 April 2016, the Board of Directors' Meeting resolved to approve the Company's purchase of 500,000 ordinary shares from Nongree Power Plant Company Limited, which represented 100% of the registered and paid-up shares from existing four shareholders (Mr. Paisan Wongwaikonlayut, Mrs. Saranya Wongwaikonlayut, Mr. Thotsaphon Wongwaikonlayut, and Mrs. Thotsaphorn Wongwaikonlayut) at the rate of 100 baht per share. The total value of the traded shares was 50 million baht. The share purchase agreement was entered into on 29 April 2016 and the share payment was made on the agreement date.

Execution of Capital Increase (quarter 1/2016)

Significant resolutions of the Extraordinary General' Meeting (EGM), No. 1/2015 on 14 December 2015:

- Cancelling the allocation of the remaining unallocated 24,028,655,000 ordinary shares for capital increase to private placement investors at a par value of 0.01 baht per share for reallocation.
- Reallocating the unallocated 24,028,655,000 ordinary shares for capital increase at a par value of 0.01 baht per share:
 - Allotting and offering a total of 22,599,491,250 ordinary shares for capital increase to existing shareholders (Right Offering or RO) at the ratio of 8 original ordinary shares to 1 new ordinary share for capital increase (rounded off) at the offering price of 0.022 baht per share.
 - As for the 1,429,163,750 ordinary shares for capital increase, reducing the registered capital for non-allocated ones and reducing the registered capital for the remaining ordinary shares for capital increase after being allotted and offered to existing shareholders.
 - From 1-5 February 2016, the Company received 497 million baht from the allotment and offering of 22,599,491,250 shares for capital increase from existing shareholders. The Company also registered the paid-up capital increase with the Ministry of Commerce on 12 February 2016. Therefore, as of 12 February 2016, the Company's issued and paid-up capital amounted to 2,033,954,213 baht (203,395,421,250 ordinary shares at a value of 0.01 baht per share).

Power Plant Business Operations and Industrial and Economic Conditions

The increase in the amount of solid waste has resulted in problems related to solid waste management. Despite involving the lowest investment costs, landfill, the currently-use method, has an impact on communities, in terms pollution, including visual pollution. Thus, construction of new landfills is difficult due to community resistance, and local authorities unavoidably encounter problems concerning solid waste management planning.

Nevertheless, the Company is a renewal energy power generation company with a position advantage over its competitors, for its strategic location, competent personnel, and trust from government agencies and the general public, in term of environmental, community and social responsibility. The Company has adjusted its investment expansion strategy, by focusing on seeking investment opportunities for waste-to-energy power plants and refuse derived fuel-related projects.

Realizing problems and opportunities of the business, the Company has studied technology of solid waste disposal and processing it into electric power, which can be developed to become the Company's main business in the near future. It is a business that yields sustainable and secure returns.

As of 30 September 2016 the Company has invested in three solar power plant projects, one waste-to-energy power plant, and one biomass power plant as follows:

1. The Solar Power Plant, Mae Tha district, Lamphun province, with a 1.92 MW production capacity based on the Power Purchase Agreement with the Provincial Electricity Authority – In 2015, its total revenue amounted to 37.31 million baht. In Q3/2016, the total revenue was 7.44 million baht.

2. The Solar Power Plant, Mae Ramat district, Tak province, with a 5.25-MW production capacity based on the Power Purchase Agreement with the Provincial Electricity Authority – In 2015, its total revenue amounted to 85.78 million baht. In Q3/2016, the total revenue was 14.94 million baht. The Company sold the investment in December 2016.

3. The Solar Power Plant, Mae Taeng district, Chiang Mai province, with a 1.92 MW production capacity based on the Power Purchase Agreement with the Provincial Electricity Authority – In 2015, its total revenue amounted to 40.0 million baht. In Q3/2016, the total revenue was 8.06 million baht.

4. The Waste-to-Energy Power Plant, Hat Yai district, Songkhla province, with a 6.5 MW production capacity based on the Power Purchase Agreement – This was a joint venture with Electricity Generating Public Company Limited, under the 25-year Solid Waste Management Agreement with the Hat Yai Municipality and the Power Purchase Agreement with the Provincial Electricity Authority. In 2015, its total revenue amounted to 117.51 million baht. In Q3/2016, the total revenue was 47.46 million baht.

5. The Biomass Power Plant, Sa Kaeo province, with an 8-MW production capacity based on the Power Purchase Agreement with the Provincial Electricity Authority. In 2015, its total revenue amounted to 115.24 million baht. In Q3/2016, the total revenue was 28.82 million baht.

Information Technology Business Operation and Industrial and Economic Conditions

After the recent tender for frequency ranges of 900MHz and 1800 MHz, Thailand's economy and society have been fully driven by Mobile Broadband technology. NBTC has aim for Thailand to be on the 2nd rank of ASEAN in terms of ICT development by 2017, and the 1st rank of ASEAN by 2020.

Therefore, the first wave of momentum for Thailand to be on the 2nd rank of ASEAN was the recent allocation of 4G 1800 and 900 frequencies. The second wave would be the tender for 1800 frequency after the contracted concession period ends at the end of 2018. By this Thailand can eventually be the 1st in terms of ICT of ASEAN by 2020.

During the last 3-4 years after the tender of 3G in Thailand, the investment in ICT has added value to Thai economic system in higher proportion than other sectors. Besides direct benefits for Thai people and Thai national companies, ICT also gives indirect benefits for the country's economic prosperity and overall employment rate.

Therefore, it can be clearly seen that Thailand can take benefits from ICT infrastructure and take a big leap. Firstly, new domestic markets of digital service and start up business will be initiated. As a result, local providers will produce software to support the tremendously increased demand for digital products. Furthermore, ICT technology will enhance Thailand's strength in terms of the strategy to become a hub (data center) and internet gateway of ASEAN.

Currently the telecommunication commission of NBTC is carrying forward the issuance of license for operation of data center and international internet gateway to companies in private sectors that has invested in this sector. This is considered a mega project with the value of 10,000 million baht or higher. As of now, the aforementioned telecommunication operators have proceeded with the investment.

NBTC's effort at this time is to promote and support building of important infrastructure according to the government's policies for Thailand 4.0, push Thailand forward to substantially be ASEAN ICT Hub.

During the year 2016, the main customer for the Company's ICT business is still CAT Telecom PCL who has been one of our most important major customers. In 2016, CAT planned a budget allocation in IT investment of over 500 million baht which covers namely data center technology, ICT security product development, ICT strategy, ICT for business support and ICT for organization management. In

2016, the Company was able to present products and solutions to continuously respond to CAT's business plan. However, in 2016, there was a deceleration in budget allocations for many projects due to CAT's internal factors. This has direct impact on the planning of existing projects in connection with the budget plans. Some important projects in 2016 had their budgets allocated to be used in 2017 instead such as the International Interconnection Charge and Wholesale System and Billing Enhancement System. As for the CRM System Enhancement Project which had been budgeted since 2015, it was expected that CAT would be able to make a purchase by 2017.

During 2016, the Company has tendered and was chosen to be the provider for CAT according to the plan for 2 projects namely, the maintenance of IBACSS' software valued 39.52 million baht which has been continuous for the third year and maintenance & repair of unified database valued 23 million baht.

For the year 2017, the Company has tendered for 3 important projects namely:

1. CRM System Enhancement valued 80 million baht
2. International Interconnection Charge and Wholesale System valued 26.7 million Baht
3. Billing System Project valued 300 million baht, a CAT's very important large-scale project.

The Company's competitive advantage is that 3 of the aforementioned projects namely the enhancement of CRM system, interconnection system and billing system which the Company provided for CAT in IBACSS project as well as also providing maintenance for said systems since they have been in use in 2012 until now, resulted in the Company having teams of technicians with great expertise and proficiency in such systems.

Progress of the Digital Mobile TV Project

The Company has been hired by MCOT Public Company Limited (MCOT) to serve as the sole operator taking charge of management and marketing of digital mobile TV in the DVB-T/H system or equivalent on UHF in Channel 58. The Company continuously implemented the project to achieve the MCOT's target. However, as the application for importing transmitter devices, between MCOT and the National Broadcasting and Telecommunication Commission, was not complete, the broadcasting schedule had to be postponed.

On 7 September 2015, the Company submitted a contract cancellation letter to MCOT and asked the MCOT to pay damage compensation within 30 days from the day MCOT received the letter. MCOT received the said letter on 14 September 2015. On 22 April 2016, filed a lawsuit with the Civil Court against MCOT (Black Case No. 1830/2016), requesting MCOT to pay compensation and interest which was 244.77 million baht at lawsuit filing date. The court set the day of settlement of issues and defined the guidelines for the legal proceedings or witness examination on 22 August 2016. Due to the fact that MCOT, the defendant in this case, has requested the Civil Court to temporarily dispose the case citing that the case is under the consideration of Administrative Court, the Civil Court ordered to temporarily withhold the judgment of two counts and appointed the hearing of Civil Court's opinion to be on 19 September 2016. Subsequently, the Civil Court forwarded the case to the Administrative Court and on 3 February 2017, the Administrative Court ordered for a change of venue of the aforementioned case from the Civil Court to be under the consideration of the Administrative Court. The Administrative Court filed the lawsuit as Black Case No. 202/2017

Causes or Actions for Qualified Opinions/No Opinions/Significant Observations by the Auditor

In the auditor's report from the financial statement audit for the year ending on 31 December 2015 and three months ending 30 September 2016, the auditor's unqualified opinions with emphasis paragraphs are as follows:

Basis for Disclaimer of Conclusion

As disclosed in Note 2 to the interim financial statements, the former executives of the Company are officially prosecuted by The Securities and Exchange Commission and they are under investigation by the Department of Special Investigation in respect of certain transactions in prior years. The Company had hired an independent appraiser to apprise the fair values of the related property, plant and equipment, construction projects and investments in subsidiaries that were acquired by the former executives of the Company. In the absence of information for determination of the fair values of the following assets, I am unable to issue a concluding report on the consolidated and separate financial statements:

1. Investment in subsidiaries and Goodwill

As at 30 September 2016, the Company has an investment in IEC Sakaeo 1 Co.,Ltd., (subsidiary) of Baht 445 million which includes an additional investment made by the former executives during the period of Baht 100 million. The current management cannot determine the fair value of the subsidiary or the additional investment of Baht 100 million of the subsidiary's shares. The current management has engaged an independent appraiser to appraise the fair value of the investment and related goodwill (as disclosed in notes 14 and 18 to the interim financial statements) which result of appraisal has not been received. I cannot conclude whether such transaction should be adjusted or not.

In addition, as at 30 September 2016, the Company has investments in other subsidiaries (IEC Green Energy Co., Ltd. and E – Contech Management Pte. Ltd) totaling Baht 528 million, for which allowances for impairment have not been taken up in the books as they are currently being appraised by an independent appraiser, engaged by the Company, to determine the fair value of the investments in the separate financial statements. This may affect the value of goodwill in the consolidated financial statements as well.

The consolidated financial statements as at 30 September 2016 included assets and liabilities of a subsidiary of Baht 455.46 million and Baht 244.63 million, respectively, and revenues for the three-month and nine-month periods then ended of Baht 14.95 million and Baht 55.34 million, respectively.

Those assets, liabilities and revenues are based on financial information prepared by management and have not been reviewed by the auditor because currently, such subsidiary is not under the control of the Company's management. The Company sold such subsidiary in the year 2016 and classified such investment as Assets and Liabilities - held for sales and discontinued operations.

2. Property, plant and equipment

The consolidated and separate financial statements as at 30 September 2016 include the net carrying amounts of property, plant and equipment, project under construction totaling Baht 2,530.95 million and Baht 508.69 million, respectively, (net impairment totaling Baht 295.61 million and Baht 78.35 million, respectively) However, the Company has hired independent appraiser to appraise their fair values to consider impairment (if any) for possible adjustment to the financial statements to make the financial information more current.

3. Non – operating assets

The consolidated and separate financial statements as at 30 September 2016 include the carrying amounts of non – operating assets of Baht 342.68. The Company has hired an independent appraiser to appraise the fair value of this asset to determine the impairment (if any) for possible adjustment to the financial statements to make the financial information more current.

4. Waste disposal technology and waste-to-energy technology

The current management was unable to find sufficient and appropriate documents to support the acquisition costs of waste technology and waste generator electricity of an indirect subsidiary executed by the former management with book values totaling Baht 74 million as at 30 September 2016. The current management believes that such value was unreasonably overstated.

Disclaimer of Conclusion

Due to the significance of the matters described in the Basis for Disclaimer of Conclusion paragraph, I am unable to obtain sufficient appropriate evidence to form a conclusion on the accompanying interim financial information as at 30 September 2016 and for the three-month and nine-month periods ended 30 September 2016 of The International Engineering Public Company Limited and subsidiaries. Accordingly, I do not give any conclusion on the interim consolidated and separate financial information as a whole.

Emphasis of Matters

Certain corrections to the prior year financial statements relating to an indirect subsidiary's adjustments for the revenue recognition which was incorrectly recognized in the wrong period during the year 2015, and the classification of a subsidiary held for sale and discontinued operations. These items were retroactively adjusted in the consolidated and separate financial statements.

Restatement of Financial Statements

During the period, the following retroactive adjustments were made to the financial statements:

- An indirect subsidiary adjusted an over record of service income amounting to Baht 17.65 million for the nine-month period ended 30 September 2015.
- The consolidated financial statements for the year ended 31 December 2015 were restated to reflect the classification of IEC Mae Ramad Co., Ltd. as held for sale, since a decision had been made by the Board of Directors to sell the subsidiary and buyers were being actively sought as at 31 December 2015. The operating results have similarly been classified as Discontinued operations in the profit or loss statement for the three-month and nine-month periods ended 30 September 2015.

The consolidated statements of financial position as at 31 December 2015 and consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2015, presented as comparative information, have been restated. In addition, certain accounts in the consolidated statement of financial position and separate statement of financial position as at 31 December 2015 have been reclassified to conform to the current period's presentation.

The retroactive adjustments affected the accounts in the consolidated and separate financial statements of the Company as follows:

(Unit : Thousand Baht)

Consolidated F/S

Formerly presented	Adjustments/ Reclassified	Reclassified/ Restated
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Statement of financial position as at 31 December 2015Assets

Cash and cash equivalents	80,914	22,533	103,447
Trade and other accounts receivable	357,845	(289,186)	68,659
Inventories	33,586	(21,110)	12,476
Available-for-sale investments	833	(833)	-
Other current assets	-	241,479	241,479
Assets held for sales and discontinued operations	-	483,225	483,225
Restricted deposits with banks	75,246	(22,613)	52,633
Other investments	400	833	1,233
Advance payment for purchase of investment	-	40,000	40,000
Investments in subsidiaries	40,000	(40,000)	-
Property, plant and equipment	3,158,918	(320,778)	2,838,140
Goodwill	348,353	(109,031)	239,322
Deferred cost of rights to use electricity transmission system	48,407	(4,134)	44,273
Intangible assets	85,498	1,905	87,403
Other non - current assets	45,663	59	45,722

Liabilities

Trade and other accounts payable	241,973	(98,157)	143,816
Accrued expenses	-	26,245	26,245
Liabilities held for discontinued operations	-	2,342	2,342
Employee benefit obligations	15,954	(45)	15,909
Provision for long - term liabilities	8,326	69,615	77,941

Shareholder's equity

Deficit as at 1 January 2016	(98,115)	(17,651)	(115,766)
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(Unit : Thousand Baht)

Consolidated F/S

Formerly presented	Adjustments/ Reclassified	Reclassified/ Restated
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Statement of profit or loss and other comprehensiveincome for the three-month period ended30 September 2015

Revenue from electricity sales	174,835	(78,992)	95,843
Cost of sales	(84,358)	14,279	(70,079)
Other revenues	2,278	(145)	2,133
Reversal of allowance for impairment of assets	-	21,400	21,400
Selling expenses	(1,451)	118	(1,333)
Administrative expenses	(59,807)	7,600	(52,207)
Other expenses	(3,800)	3,800	-
Profit from discontinued operations	-	11,216	11,216
Loss for the period	(4,348)	(5,762)	(10,110)
Basic earnings per share	0.00001	0.00001	0.00002

Statement of profit or loss and other comprehensiveincome for the nine-month period ended30 September 2015

Revenue from electricity sales	309,853	(78,992)	230,861
Cost of sales	(177,789)	14,279	(163,510)
Other revenues	28,697	(183)	28,514
Reversal of allowance for impairment of assets	64,948	(23,548)	41,400
Selling expenses	(6,630)	658	(5,972)
Administrative expenses	(207,948)	9,230	(198,718)
Other expenses	(27,348)	27,348	-
Profit from discontinued operations	-	44,844	44,844
Profit (Loss) for the period	10,562	(16,466)	(5,904)
Basic earnings per share	0.00020	(0.00006)	0.00014

(Unit : Thousand Baht)

Separate F/S

Formerly presented	Adjustments/ Reclassified	Reclassified/ Restated
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Statement of financial position as at 31 December 2015Assets

Cash and cash equivalents	57,658	23,040	80,698
Trade and other accounts receivable	211,487	(193,174)	18,313
Inventories	21,110	(21,110)	-
Short – term loans to subsidiary companies and accrued interest income	1,273,134	133,549	1,406,683
Available-for-sale investments	833	(833)	-
Other current assets	-	64,730	64,730
Assets held for sales and discontinued operations	-	214,000	214,000
Restricted deposits with banks	58,046	(23,119)	34,927
Other investments	400	833	1,233
Advance payment for purchase of investment	-	40,000	40,000
Investment in subsidiaries	1,128,052	(254,000)	874,052
Property, plant and equipment	646,102	16,005	662,107
Other non - current assets	8,624	79	8,703

Liabilities

Trade and other accounts payable	92,797	(41,456)	51,341
Accrued expenses	-	6,331	6,331
Other current liabilities	-	35,125	35,125

Statement of profit or loss and other comprehensiveincome for the three-month period ended 30September 2015

Administrative expenses	(45,844)	50	(45,794)
Doubtful accounts from short - term loans and accrued interest income to subsidiary companies	-	(3,850)	(3,850)
Other expenses	(3,800)	3,800	-

	(Unit : Thousand Baht)		
	Separate F/S		
	Formerly presented	Adjustments/ Reclassified	Reclassified/ Restated
<u>Statement of profit or loss and other comprehensive</u>			
<u>income for the nine-month period ended 30</u>			
<u>September 2015</u>			
Administrative expenses	(129,298)	6,300	(122,998)
Doubtful accounts from short - term loans and accrued interest income to subsidiary companies	-	(10,100)	(10,100)
Other expenses	(3,800)	3,800	-

Non-Recurring Items

1. IEC Green Energy Company Limited had 43.55 million baht for making an advance payment for a renewable energy project, as the cost of a plasma technology-based waste plant design from 2009. The project was discontinued in 2011 and will be resumed when it is commercially viable with proper returns. The Company set a full amount of the allowance for loss on impairment for the advance payment based on the agreement.

Resolutions of the Subsidiary Board of Directors' Meeting (IEC Green Energy Company Limited) on 29 June 2015:

- Receiving indemnity amounting to 20 million baht from a contractual party that failed to comply with the plasma technology purchase agreement on 16 July 2015.
- Amortizing the remaining advance payment of 23.55 million baht for the design of the plasma technology-based waste plant.

During the year ending on 31 December 2015, the Subsidiary (IEC Green Energy Company Limited) amortized the advance payment of 23.55 million baht for the design of the plasma technology-based waste plant and reversed an allowance for loss on impairment of 43.55 million baht. It received a 20-million baht payment on 16 July 2015.

During Q3/2016, the Company recognized an addition allowance for doubtful accounts against short - term loans to certain subsidiaries and accrued interest amounting Baht 1,344 million because management considered that such subsidiaries do not have ability to repay such outstanding amounts.

2. The Board of Directors' Meeting on 30 September 2015 resolved to approve receiving indemnity amounting to 17.60 million baht from the contractor producing master copies of a learning package and amortized it as administrative expense for 3.80 million baht in the consolidated financial statements and separate financial statements. The Company received the indemnity on 19 October 2015.

Overall Performance and Profitability

As of 31 December 2015, the profit made by the Company and its subsidiaries amounted to 0.14 million baht, whilst that of the previous year equaled 13.41 million baht, which showed a profit decrease of 13.27 million baht. This was because the Company Group needed to shut down the Waste-to-Energy Plant in Hat Yai and the Biomass Power Plant in SaKaeo for maintenance to ensure improved efficiency.

The performance for Q3, ending on 30 September 2016, the Company and its subsidiaries made a loss, for Q3/59 which amounted to 589.61 million baht.

Key Performance Indicators

1. Return on Equity Ratio (ROE)

In 2015, the ROE represented 0.005%, which resulted from the increase in costs of sales and services and administrative costs of the Company's subsidiaries. This was because the Company acquired IEC Sakaeo 1 Company Limited in October 2014, and Gidec Company Limited, the Company's indirect subsidiary, started commercial operations in December 2014.

In Q3/2016, the ROE represented -0.19%, which resulted from recording doubtful accounts of other receivables in its subsidiaries, which may affect the entries in the Company's consolidated and separate financial statements.

2. Debt to Equity Ratio

In 2015, the debt to equity ratio was 0.35, which decreased from 2014, when the ratio was 0.39. This was because the Company received capital increase fund of approximately 572 million baht from three private placement investors, while the Company entered into a loan agreement for 142 million baht with a financial institution during 2015.

In Q3/2016, the debt to equity ratio was 0.44, which increased from 2015, when the ratio was 0.35 as a result of increase in losses for the period in comparison to 2015 of the same quarter amounting to 583.7 million baht.

3. Liquidity Ratio

In 2015, the Company's liquidity ratio equaled 1.02, which decreased from 2014, when the ratio was 1.90. This resulted from the fact that the amount of Company's cash reduced by 398 million baht because of its investment in various projects during 2015. The projects included the Biomass Waste-to-Energy Power Plant Construction Project and the Plastic Recycling Project in Ban Bueng district, Chon Buri province; the Waste Plastic Recycling Project in Rayong province; and the Waste Plastic Recycling Project at the Southern Industrial Estate, Chalung sub-district, Hat Yai district, Songkhla province. This resulted in a decrease in the Company's current assets while there was no significant change in current liabilities.

In Q3/2016, the Company's liquidity ratio equaled 1.41, which increased from 2015, when the ratio was 1.02. This resulted from the Company's increased cash due to capital increase.

Revenues, Factors and Causes of Changes (Comparing only 2014 and 2015 because the Company still has no financial statements for the year ending 31 December 2016)

	Communication and Telecommunication			Investment in Securities and Energy			Business and Engineering Research Consulting Services			Total		
	2015	2014	%	2015	2014	%	2015	2014	%	2015	2014	%
Revenues												
Revenues from sales or services	43	240	-82%	396	183	116%	3	37	-92%	442	460	-4%
Other revenues	106	52	104%	59	1	5800%	1	-	0%	166	53	213%
Total revenues	149	292	-49%	455	184	147%	4	37	-89%	608	513	19%
Expenses												
Sale or service costs	30	207	-86%	249	62	302%	4	22	-82%	283	291	-3%
Sale expenses	4	1	300%	5	1	400%	-	-	0%	9	2	350%
Administrative expenses	179	124	44%	97	84	15%	4	6	-33%	280	214	31%
Other expenses	18	1	1700%	26	4	550%	-	1	-100%	44	6	633%
Financial costs	-	-	0%	44	15	193%	-	-	0%	44	15	193%
Total expenses	231	333	-31%	421	166	154%	8	29	-72%	660	528	25%
Profit (loss) for the year	(82)	(41)	100%	34	18	89%	(4)	8	-150%	(52)	(15)	247%
Income tax	-	-	0%	-	-	0%	-1	1	-200%	(1)	1	-200%
Net profit (loss) for the period	(82)	(41)	100%	34	18	89%	(3)	7	-143%	(51)	(16)	219%
Share (profit) and loss for the minority of shareholders	-	-	0%	51	29	76%	-	-	0%	51	29	76%
Net profit (loss) for the period (Shareholding Company)	(82)	(41)	100%	85	47	81%	(3)	7	-143%	-	13	-100%

The revenue from sales or services and revenue from the adder subsidy for the Company and its subsidiaries amounted to 442 million baht while those in the previous year equated to 460 million baht, which decreased by 18 million baht (4%). This resulted from an increase in their revenue in 2015, because:

- The revenue of the Energy Group Business increased by 213 million baht because the Company acquired IEC Sakaeo 1 Company Limited in October 2014, and Gidec Company Limited, the Company's indirect subsidiary, started commercial operations in December 2014.
- The revenue of IT Group Business decreased by 197 million baht and the revenue of business and engineering research consulting services decreased by 34 million baht. This was because in 2015, there was a slowdown in CAT's budget use as a result of its business-related factors. This had a direct impact on the Company's project plans included in the budget plan. The budget of some CAT's key projects in 2015 was carried forward to the year 2016, such as the CRM System Optimization Project.

The Company and its subsidiaries earned other revenues for 2015, which increased by 113 million baht because of:

- A confiscated deposit of 43 million baht for share reserved for purchase – Two private placement investors requested decreasing the number of shares reserved for purchase and they requested making an additional share payment in an adequate amount for the decreased number of shares reserved for purchase. The Company was also requested to consider confiscating deposit of the decreased number of shares reserved for purchase.
- Reversal of an allowance of 3.5 million baht for estimated liabilities, which decreased by 26.5 million baht from 2014, when the figure was 30 million baht. In 2014, the Company cancelled the estimated liabilities amounting to 29.88 from a litigation case against the Customs Department. In 2015, an allowance of 3.55 million baht was revised for the estimated fine for work delay based on an agreement from the Hat Yai Municipality.
- Reversal of an allowance for loss on impairment of 64 million baht for the advance payment for assets and other non-current assets. This was because a subsidiary reversed an allowance for loss on impairment of 43.55 million baht for the advance payment for the plasma technology-based waste plant design and an allowance for loss on impairment of 21.4 million baht for the security deposit for the production of master copies of a learning package.
- Reversal of an allowance of 27.13 for doubtful accounts. The Company received debt repayment and accrued interest from Ethnic Earth.Com Holding Company Limited.

Cost of Sales and Services

In 2015, the sale or service cost for the Company and its subsidiaries amounted to 283 million baht, with a gross profit margin of 36.08%. The gross profit margin in 2014 was similar, which represented 36.78%.

Sales and Administrative Expenses

The sales and administrative expenses of the Company and its subsidiaries increased by 73 million baht, which represented 33.65% due to an increase in expenses related to employees, remuneration of the management, and expenses related to premises and equipment. The number of employees increased because the Company acquired IEC Sakaeo 1 Company Limited in October 2014, and Gidec Company Limited, an indirect subsidiary, started commercial operation in December 2014.

Other Expenses

Other expenses for the Company and its subsidiaries for 2015 increased by 38.36 million baht, when compared with the previous year. The Company's other significant expenses in 2015 were as follows.

- 1) Loss from asset impairment of 14.44 million baht from asset value appraisal.
- 2) Loss from damages for security deposit of 3.80 million baht for producing of master copies of a learning package. This was because the Company received compensation for security deposit of 17.60 million baht for producing master copies of a learning package and reversed an allowance for loss on asset impairment of 21.40 million baht.
- 3) Loss from damages for advance payment of 23.55 million for the plasma technology-based waste plant design. The Company received compensation of 20 million baht for the advance payment for the plasma technology-based waste plant design and reversed an allowance for loss on asset impairment of 43.55 million baht.

Financial Cost

The financial cost of the Company and its subsidiaries increased by 28.51 million baht, which represented 186.93% when compared with the previous year. This was the consequence of acquiring IECT Sakaeo 1 Company Limited, which had borrowed money from a bank prior to the acquisition in October 2014 and the fact that IEC Mae Tha Mae Taeng Company Limited borrowed more money from a bank in 2015.

Unit : Million Baht

<i>Three-month period, ending on 30 September 2016</i>	Communication and Telecommunication Business	Investment in Securities and Energy	Business and Engineering Research Consulting Services	Total
Revenues				
Revenues from sales or services	21,682	274,909		296,591
Other revenues	56,698		-	56,698
Total revenues	78,380	274,909	-	353,289
Expenses				
Sale or service costs	(18,184)	(240,032)	-	(258,216)
Sale expenses	(2,971)	(3,343)	-	(6,314)
Administrative expenses	(227,527)	(129,974)	-	(357,501)
Other expenses	(85,258)	(228,131)	-	(313,389)
Financial costs	(2,111)	(36,489)	-	(38,600)
Total expenses	(336,051)	(637,969)	-	(974,020)
Profit (loss) before income tax	(257,671)	(363,060)	-	(620,731)
Income tax	-	-	-	708
Profit of discontinued operations	-	-	-	30,411
Net profit (loss) for the period	(257,671)	(363,060)	-	(589,612)
Share (profit) and loss for the minority of shareholders	-	(44,561)	-	(44,561)
Net profit (loss) for the period (Shareholding Company)	(544,792)	-	-	(544,792)

The performance in Q3, as of 30 September 2016, the Company and its subsidiaries made a loss of 589.61 million baht, with the following details:

1. The revenue of the Company and its subsidiaries from sales or services and revenue from the adder subsidy from the Energy Group Business was higher than the revenue from IT Group Business due to IT Group Business's delay in contract renewal.

2. Other revenue of the Company and its subsidiaries was derived from profits from sales of equipment in its subsidiaries. Retroactive adjustments were made to the financial statements which may affect the entries in the consolidated and separate financial statements.

3. The Company and its subsidiaries had a financial cost because of the loan of financial institutions of the Energy Group Business.

Asset Management

As of 31 December 2015, the total assets of the Company and its subsidiaries amounted to 4,498 million baht, increasing from 2014 by 607 million baht, which represented 15.60%. This mainly resulted from the increase of land, structures and equipment of subsidiaries related to energy business and capital increase fund of 1,119.43 million baht in 2014.

In Q1/2016, the Company received capital increase fund amounting to 497 million baht.

Receivable

Trade and other accounts receivable are stated on the invoice value less allowance for doubtful accounts, estimated through the analysis of the debt repayment history and prediction of future debt repayment of the customers. Account receivables were amortized upon recognition that they were bad debts.

Analysis of ages of account receivables is as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Company financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2014
<u>Trade accounts receivable and accrued income</u>				
Not yet due	106,264	46,620	8,768	13,996
Over due date				
Less than 3 months	4,856	-	4,856	-
3-6 months	1,837	-	-	-
Over 12 months	<u>3,931</u>	<u>8,853.00</u>	<u>3,731.00</u>	<u>3,731.00</u>
Total	116,888	55,473.00	17,355.00	17,727.00
<u>Less Allowance for doubtful accounts</u>			<u>(3,731.00)</u>	
	<u>(3,931)</u>	<u>(3,931.00)</u>		<u>(3,731.00)</u>
NET	<u>112,957</u>	<u>51,542.00</u>	<u>13,624.00</u>	<u>13,996.00</u>

Normally, the credit period granted to customers of the Company Group is 30 days.

Inventory and Deterioration or Obsolescence

The inventory in 2015 increased by 15.43 million baht, resulting from information technology business and the rotary dryer and PLC system manufacturing projects.

In Q3/2016, the Company's inventory was valued at 0.39 million baht.

Investment, Goodwill and Impairment of Assets (If Any)**• Investment in subsidiaries**Capital increase

In 2015, IEC Green Energy Company Limited increased its capital by 82 million baht as the capital budget for supplying machinery and equipment for the waste separation system and incinerators.

In 2016 The Board of Directors meeting has approved the capital increase shares in IEC Sakaeo 1 Company Limited by purchasing 1,000,000 ordinary shares from the existing shareholders, or equivalent to 25% of the paid-up capital at THB 100 Baht per share, worth the total value of 100 million baht to increase the shareholding proportion to 100%. The company entered into the contract agreement on 10 June 2016 and has already paid for the shares on the contract date.

• Goodwill**Consolidated financial statements**

	30 September 2016	31 December 2015	31 December 2014
Cost price :			
As of 1 January	239,322	239,322	245,765,334
Subsidiary acquisition	-	-	105,908,694
Annual amortization	-	-	(3,320,549)
Total	239,322	239,322	348,353,479

Goodwill is recorded for cash-generating assets, which are defined across work sections. The recoverable amount of asset-generating asset units is considered based on the value-in-use calculation. This involves the calculation of the present value of the cash flow estimate, which is based on the financial estimate throughout the project period approved by the management, whereby the assumption is the past performance. This will be adjusted in line with the assumption revised by the management of the Company Group/the Company. The machinery will have to be adjusted to new raw materials.

The Company Group/the Company tested the impairment based on the net cash flow value under the assumption. The test result indicated that the recoverable amount was higher than the book value under the condition of the management's confirmation about the improved management and a good management system. Thus, the Company Group/the Company did not recognize the allowance for loss on impairment of goodwill.

• **Loss on Asset Impairment**

Since 2010, the Company has implemented the Digital Mobile TV Project on UHF, Channel 58. Its cost was 250 million baht, and the cost incurred as of 31 December 2014 was 154 million baht (recorded in the during-construction work account for 82 million baht, advance payment for asset cost for 31 million baht, intangible assets for 35 million baht, and other expenses for 6 million baht). The balance was 96 million baht. As of 2 March 2015, the Company was waiting for MCOT's action pertaining to the license for importing communication radio devices from the NBTC. This resulted in the project being delayed and the radio frequency allocation being unlawful. However, based on the principle of due care and diligence, the Company provided a full amount of the allowance for loss on asset impairment. The Board of Directors' Meeting on 12 November 2014 resolved to allow the Company to cancel the agreement with, and sue, MCOT.

The cost of land, structures, and equipment for the subsidiary (IEC Business Partners Company Limited) as of 31 December 2015 and 2014 amounted to 469 million baht, deducted by the allowance for loss on asset impairment of 469 million baht. There was a dispute over asset purchase transactions, which is under the court trial.

The immovable property for investment as of 31 December 2015 of the Company Group/the Company was appraised by an independent appraiser, approved by the Office of Securities and Exchange

Commission. The appraisal involved market price comparison and valuation based on the Department of Lands and the Provincial Treasury Office. The Company Group/the Company tested the impairment based on the asset appraisal and considered that the estimated cost of the immovable property for investment of the Company Group/the Company was higher than book value, so an allowance for loss on asset impairment was not recognized.

The average estimated cost of some pieces of land price was 13.27 million baht below the book value. This was recorded as a loss from impairment for 2015.

Other Assets and Causes of Change

As of 31 December 2015, the total assets of the Company and its subsidiaries were valued at 4,498.06 million baht, which increased by 606.89 million baht from 2014, which represented a 15.60% increase. The major causes of the change are:

1. Increase in immovable property of investment in 2015, as a result of the Project of Procurement of Potential Land for Power Plant Construction for Resale to Interested Investors, which had a net value of 142.95 million baht.

2. Increase in land, land, and equipment, as a result of the Project on the Development of Technology and the Model of Solid Waste Management by Processing Fresh Waste to Waste Fuel in Hat Yai and the Project on the Application of Technology and Development of the Model of the Municipal Waste-Based Small Power Plant in Hat Yai. The total cost incurred for both projects amounted to 213 million baht.

3. Increase in land, structures, and equipment from the Waste Plastic Recycling Project in Rayong, with cost incurred of 526 million baht.

In Q3/2016, the Company's total assets amounted to 2,604 million baht, which decreased from 31 December 2015 by 966.70 million baht. Due to retroactive adjustments made to the financial statements, this may affect the entries in the financial statements.

Liquidity and Adequacy of Capital

In 2015, the net cash used for operating activities for the Company and its subsidiaries amounted to 45.23 million baht, due to operating loss of its subsidiaries as a result of an increase in their expenses and expenses during the shutdown for machinery improvement in the waste disposal plant, the waste-to-energy power plant, and the biomass energy power plant.

The cash flow used for investment activities in 2015 amounted to 914.04 million baht, as a result of spending on investment in different projects.

The cash flow from financing activities in 2015 amounted to 561.10 million baht, as a result of cash from capital increase fund and loan from a commercial bank.

In Q3/2016, the Company and its subsidiaries had net cash of 151.66 million baht for operating activities because its subsidiaries made a loss from operations, which resulted from recording doubtful accounts of other receivables in its subsidiaries and due retroactive adjustments made to the financial statements, this may affect the entries in the financial statements. The fact that the Company was constructing a plant in Rayong, which had not been commercially operated yet.

The cash flow used for investment activities in Q3/2016 amounted to 784.43 million baht, as a result of spending on investment in different projects.

The cash flow from financing activities in Q3/2016 amounted to 722.51 million baht, as a result of cash from capital increase fund and loan from unrelated individuals.

Loan and Leverage Ability

	Consolidated financial statements		
	30 September 2016	31 December 2015	31 December 2014
		(Baht)	
Long-term loan from financial institutions	662,835,000	714,464,206	630,287,226
<i>Deducted by long-term liabilities with the due date within one year</i>	<i>(85,062,000)</i>	<i>(98,400,000)</i>	<i>(49,200,000)</i>
Net	577,773,000	662,835,000	581,087,226

Moving transaction of long-term loan for the year ended on 31 December 2015 and 2014 and 30 September 2016 were as follows:

	Consolidated financial statements		
	31 March 2016	31 December 2015	31 December 2014
		(Baht)	
As of 1 January	714,464,000	630,287,226	410,369,862
Increase–Transfer	4,952,000	84,176,774	-
Increase from subsidiary acquisition	-	-	520,573,226
Decrease	(56,581,000)	-	(300,655,862)
As of 31 December/31 March	662,835,000	714,464,000	630,287,226

• Gidec Company Limited

On 27 December 2010, Gidec Company Limited (“the Subsidiary”) entered into an agreement with a domestic financial institution (“GSB”) on using all types of credits in a total amount of 400 million baht, which included a long-term loan of 280 million baht as of 31 December 2013, which has already been withdrawn in the whole amount. It is under a 7-year payback term, starting from 27 December 2010, a 22 month grace period for principal payment, with maturity in November 2012, and a monthly interest payment term. The annual MLR interest rate is for Year 1 and +1% from Year 2 onwards. The principal and interest payment shall be made after the grace period has been reached, and the minimum monthly repayment is 8 million baht.

From May 2013 to September 2013, Gidec Company Limited breached a loan agreement with a bank, and the bank had a right to immediately claim the principal. On 28 August 2013, the bank considered approving the change in the significant conditions of the 400 million baht credit line as follows:

1) Extending the grace period of principal (the 3rd time) for another 38 months without agreement time extension. The principal and interest payment shall be made from March 2014 to December 2014, at least 9.70 million baht a month and from January 2015 to the end of the agreement, at least 10.40 million baht a month. The Company shall submit the construction period extension approval letter from the Hat Yai Municipality and the power sales period extension letter to the bank. Later, the Company submitted the said letters.

2) Extending the period for registration and mortgage for 13 machinery items for another 42 months (maturity in 30 June 2014).

3) Changing a collateral condition into authorizing the bank to receive cheque payment from the PEA.

On 24 December 2013, Gidec Company Limited (“the Indirect Subsidiary”) signed an agreement on the principal grace period extension, whereby the first installment for principal payment is March 2014. However, the Subsidiary did not pay back the principal based on the agreement from March to November 2014. Later, the Subsidiary paid back the whole amount of principal and interest on 23 December 2014.

As for the loan, condominiums, future structures, and benefits from fire insurance for structures, machinery and equipment, and equipment with accessories of the Subsidiary were registered for mortgage and used as collateral for the loan. In addition, the share certificates of the Subsidiary and its directors shall be pledged for guaranteeing the full amount of the credit line and shall transfer the following titles to the bank.

- Right to lease land that is the plant location, under the ownership of the Hat Yai Municipality.
- Right to management based on the construction and municipal waste management agreement.
- Right to claim money based on the construction and municipal waste management agreement.
- Right to management based on the Power Purchase Agreement.
- Right to claim money based on the Power Purchase Agreement.

The Subsidiary has already redeemed the loan collateral from the bank.

• IEC Mae Tha Mae Taeng Company Limited

On 26 May 2015, IEC Mae Tha Mae Taeng Company Limited (“Subsidiary”) entered into a loan agreement with a domestic financial institution (CIMB) with a credit line of 142 million baht (its whole amount was withdrawn). The balance as of 31 December 2015 and 30 September 2016 amounted to 134 million baht and 118.34 million baht, respectively, under a 7-year loan payback term and a monthly principal payback term – at least 1.69 million baht per month. The first installment of payment shall be within the following month from the month in which the loan is withdrawn. The interest payment was on a monthly basis, at the MLR interest rate of -1.50% per year.

On 2 May 2012, IEC Mae Tha Mae Taeng Company Limited (“The Subsidiary”) entered into a loan agreement with a local financial institution (CIMB) for a credit line of 140 million baht (its whole amount was withdrawn). The balance as of 31 December 2015 and 2014 was 90 million baht and 110 million baht, respectively. The balance as of 30 September 2016 was 74.22 million baht. This loan is

under an 8-year loan payback term, 6-month grace period, and monthly interest payment term. The annual interest rate is MLR

-1% for Year 1-2, -0.50% for Year 3-4, and regular annual MLR interest rate from Year 5. The principal payment shall be made after the grace period has been reached, and the minimum monthly loan repayment is 0.78 million baht.

From February 2013 to June 2013, IEC Mae Tha Mae Taeng Company Limited (“The Indirect Subsidiary”) did not make a loan repayment of 7.80 million baht based on the agreement. Later, the bank approved the extension of the grace period for another seven months (from January to July 2013) for the Company. The bank will suspend the interest margin between the default interest rate and the normal interest rate based on the original agreement until the Company pays off the debt, and the Company shall pay the first installment of principal from August 2013 henceforth and make a minimum monthly loan payment of 1.69 million baht.

The securities for the said long-term loan are as follows:

- Title deed under the borrower’s ownership.
- Solar cell panels and equipment used for electricity generation under the borrower’s ownership.
- Right to receive bank deposit refund.
- The International Engineering Public Company Limited (IEC)
- Share Certificate of IEC Mae Tha Mae Taeng Company Limited.
- Right to claim money based on the Power Purchase Agreement.

• IEC Sakaeo 1 Company Limited

On 8 October 2010 and 11 July 2014, the Company entered into a loan agreement with a local financial institution to construct a biomass power plant, with the balance of 520 million baht. Its details are as follows:

- The 1st line of credit: 173 million baht (its whole amount was withdrawn), in payment for foreign machinery.
- The 2nd line of credit: 142 million baht (its whole amount was withdrawn), in payment for foreign machinery.
- The 3rd line of credit: 120 million baht (its whole amount was withdrawn) in payment for power generation building construction.

- The 4th line of credit: 60 million baht (its whole amount was withdrawn) in payment for power generation building foundation construction.
- The 5th line of credit: 2 million baht (its whole amount was withdrawn) in payment for construction supervision.
- The 6th line of credit: 13 million baht (its whole amount was withdrawn) in payment for management guarantees.
- The 7th line of credit: 10 million baht (its whole amount was withdrawn) in payment for the fire protection system.

From the 1st month to the 36th month, the interest shall be paid on a monthly basis at the MLR interest rate -1% per year. From the 37th month, the MLR interest rate -0.50% per year. The exception is the 7th line of credit, for which the principal and interest grace period is 2 months, and the principal and interest payment at the MLR interest rate per year shall be made from the 3rd month.

Later, the company revised the loan agreements and recently on 28 October 2014, the principal and interest payment for all line of credits was changed as follows:

- Waiving the interest installments of 19.05 million baht from June 2014 to December 2014 (suspended interest) but paying 12 installments, each with an equal amount, from January to December 2015.
- Paying interest on a monthly basis – The interest whose rate has been changed will be first paid in January 2015.

The changed interest rates are as follows:

- 1st line of credit-5th line of credit: The annual MLR interest rate - 0.5% is applied from June 2014 to June 2020, and the annual MLR interest rate +1% is applied from July 2020.
- 6th line of credit: The annual MLR interest rate -0.5% is applied from June 2014 to June 2018, and the annual MLR interest rate +1% from July 2018.
- 7th line of credit: The annual MLR interest rate is applied from June 2014 to August 2015, and the annual MLR interest rate +1% is applied from September 2015.
- Paying the principal under 108 installments, each amounting to 20,000-1,600,000 baht. The first installment is July 2015 and the last installment is June 2024.
- Paying the outstanding principal and interest in the last installment, in June 2024.

The securities for the long-term loan are as follows:

- All land with existing and future structures.

- Machinery
- Kaew Lamduan Group Company Limited (related business)
- Directors
- Ordinary shares of two shareholders (individual persons)
- The company's ordinary shares held by the Holding Company.

From January to February 2016, a subsidiary (IEC Sakaeo 1 Company Limited) defaulted on debt repayment (9.64 million baht principal and 4.95 million baht interest) amounting to 14.59 million baht to a commercial bank. This subsidiary entered into an agreement on debt restructuring on 29 March 2016 to request changing the debt repayment conditions for the default portion, as follows:

- 1) The grace period will be from January 2016 to February 2016. From March 2016 onwards, the principal and interest payment shall be made by instalments to the bank as specified in the agreement on each types of loan.
- 2) Making a payment for the principal suspended from January 2016 to February 2016, amounting to 9.64 million baht, on four monthly installments, each with 2.41 million baht. The first payment shall be made in June 2016, and the payment shall be completed in September 2016 at the MLR -0.5% interest rate per year, calculated based on the outstanding principle until the payment is completed.
- 3) Making an interest payment of 4.95 million baht by four monthly installments, each with 1.24 million baht. The first payment shall be made in June 2016, and the payment shall be completed in September 2016 without interest.

- **IEC Mae Ramat**

On 18 March 2016, a subsidiary (IEC Mae Ramat Co., Ltd.) entered into a loan agreement with a domestic financial institution with a 270-million baht credit line. This consisted of a 265-million baht credit line and 5-million baht overdraft credit line, with a 5-year payback period. Under the agreement, it shall make the principal payment by monthly installments, each with at least 4.4 million baht. The first installment of payment shall be within the following month from the month in which the loan is withdrawn. The interest payment was on a monthly basis, at the MLR -1.0% per year. This subsidiary withdrew 265 million baht from the long-term credit line on 11 May 2016.

Capital Increase and Decrease Registered Capital

Movements in registered share capital and issued and fully paid-up share capital for the nine months period ended 30 September 2016 are as follow:

		Consolidated and Separate F/S			
		(Thousand share / Thousand Baht)			
	(Unit : Baht)	30 September 2016		31 December 2015	
	Price based Stock value	Number of shares	Amount	Number of shares	Amount
<u>Registered share capital</u>					
At the beginning of period					
- Common share	0.01	204,824,585	2,048,246	123,618,439	1,236,184
At the end of period					
Decrease share capital	0.01	(1,429,164)	(14,292)	-	-
Increase share capital	0.01	40,679,084	406,791	81,206,146	812,062
Total common share	0.01	244,074,505	2,440,745	204,824,585	2,048,246
<u>Issued and fully paid-up share capital</u>					
At the beginning of period					
- Common share	0.01	180,795,930	1,807,959	164,824,585	1,648,246
At the end of period					
Increase share capital	0.01	22,618,786	226,188	15,971,345	159,713
Total common share	0.01	203,414,716	2,034,147	180,795,930	1,807,959

In January 2015, two specific investors requested to reduce their share subscription from 32,000,000,000 shares to 7,971,345,000 shares and agreed to let the Company forfeiting the deposit in excess of the amount to be paid for the number of shares purchased. Subsequently, the Board of Directors approved the forfeiting of the deposit of Baht 43 million and recorded such amount in profit or loss.

In February 2016, the Company received cash from allocation and increase in share capital of 22,599,491,250 shares from the existing shareholders at the price of Baht 0.022 per share, totaling of Baht 497,188,808 and registered the share capital increment with Ministry of Commerce on 15 February 2016. This made the issued and fully paid-up share capital to be Baht 225,994,913 with shares premium of Baht 271,193,895.

For the year ending on 31 December 2015

From 16-20 January 2015, the Company received an additional capital increase share payment which amounted to 502,968,420 baht from three private placement investors, at the offering price of 0.036 baht per share. The total amount of capital increase capital payment was 574,968,420 baht (including advance payment for capital increase shares in the amount of 72 million baht, received on 31 October 2014), comprising issued and paid-up shares of 159,713,450 baht and paid-in capital in excess of par value of 415,254,970 baht. The Company registered the said capital increase with Ministry of Commerce on 21 January 2015; therefore, its registered capital equated to 2,048,245,850 baht and the paid-up capital amounted to 1,807,959,300 baht.

In January 2015, two private placement investors requested decreasing the number of shares reserved for purchase, from 32,000,000,000 to 7,971,345,000 shares, and they requested making an additional share payment in an adequate amount for the decreased number of shares reserved for purchase. The Company was also requested to consider confiscating deposit of the decreased number of shares reserved for purchase. Later, the Board of Directors' Meeting resolved to approve the Company's confiscation of the deposit amounting to 43 million baht, which must appear in 'profit & loss in the whole amount.'

The Annual General Meeting (new meeting) on 24 May 2015 resolved to approve extending the duration of the offering of 24,028,655,000 ordinary shares for capital increase, which had not been sold yet, to private placement investors, at the value of 0.01 baht per share, to another 12 months from the original maturity date and shortening the silent period for private placement investors from six months to three months. However, the remaining conditions were exactly the same as former conditions, based on the resolution of the 2014 AGM (new meeting) on 23 May 2014.

Resolutions of the Board of Director's Meeting on 5 November 2015:

- Cancelling the allocation of the remaining unallocated 24,028,655,000 ordinary shares for capital increase to private placement investors.
- Reallocating the unallocated 24,028,655,000 ordinary shares for capital increase:
 - Allotting and offering a total of 22,599,491,250 ordinary shares for capital increase to existing shareholders (right offering or RO) at the ratio of eight original ordinary shares to one new ordinary share for capital increase at the offering price of 0.024 baht per share.
 - Registering the remaining unallocated 1,429,163,750 ordinary shares.

Significant resolutions of the Extraordinary General Meeting, No. 1/2015 (EGM) on 14 December 2015:

- Cancelling the allocation of the remaining unallocated 24,028,655,000 ordinary shares for capital increase to private placement investors at a par value of 0.01 baht per share for reallocation.
- Reallocating the unallocated 24,028,655,000 ordinary shares for capital increase at a par value of 0.01 baht per share:

- Allotting and offering a total of 22,599,491,250 ordinary shares for capital increase to existing shareholders (right offering or RO) at the ratio of eight original ordinary shares to one new ordinary share for capital increase (rounded off) at the offering price of 0.022 baht per share.
- As for the 1,429,163,750 ordinary shares for capital increase, reducing the registered capital for non-allocated ones and reducing the registered capital for the remaining ordinary shares for capital increase after being allotted and offered to existing shareholders.

For Q1/2016, as of 31 March 2016

- From 1-5 February 2016, the Company received 497 million baht from the allotment and offering of 22,599,491,250 shares for capital increase from existing shareholders, at the price of 0.022 baht per share. The total value was 497,188,808 baht. The Company also registered the paid-up capital increase with the Ministry of Commerce on 15 February 2016 (225,994,913 baht issued and paid-up capital and paid-in capital in excess of par value of 271,193,895 baht).

Resolutions of the Annual General Meeting on 25 April 2016:

- Approving the Company's reducing registered capital from 2,048,245,580 baht to 2,033,954,212.50 baht, consisting of 203,395,421,250 shares, each with a value of 0.01 baht, by removing 1,429,163,750 ordinary shares, which had not been sold. The Company registered the capital decrease with the Ministry of Commerce on 28 April 2016.

- Approving the Company's increasing registered capital by 406,790,842.50 baht to 2,440,745,055 baht by issuing 40,679,084,250 new ordinary shares, each with a value of 0.01 baht. The Company registered the capital increase with the Ministry of Commerce on 29 April 2016.
- Approving the Company's issuing and allotting the warrant to purchase the Company's second batch of capital increase shares (IEC-W2), which did not exceed 40,679,084,250 shares, by issuing and allocating the shares to existing shareholders at the ratio of 5 ordinary shares to 1 warrant unit (warrant is free of charge). The warrant is valid for three years after its issuance date.
- Approving the Company's issuing and allotting new capital increase shares, which did not exceed 40,679,084,250 shares, each with a value of 0.01 baht, to support the exercise of IEC-W2.

Source of Capital

Liabilities

During 2015, the Company Group was granted a long-term loan amounting to 142 million baht from the credit line of IEC Mae Tha Mae Taeng Company Limited from a commercial bank under the 7-year payback term. The Company Group made a loan repayment totaling 57.82 million baht to several financial institutions.

In Q3/2016, the Company made a loan repayment totaling 56.58 million baht to various financial institutions.

Equity

From 16-20 January 2015, the Company received an additional capital increase share payment which amounted to 502,968,420 baht from three private placement investors, at the offering price of 0.036 baht per share. The total amount of capital increase capital payment was 574,968,420 baht (including advance payment for capital increase shares in the amount of 72 million baht, received on 31 October 2014), comprising issued and paid-up shares of 159,713,450 baht and paid-in capital in excess of par value of 415,254,970 baht. The Company registered the said capital increase with Ministry of Commerce on 21 January 2015; therefore, its registered capital equated to 2,048,245,850 baht and the paid-up capital amounted to 1,807,959,300 baht.

In January 2015, two private placement investors requested decreasing the number of shares reserved for purchase, from 32,000,000,000 to 7,971,345,000 shares, and they requested making an additional share payment in an adequate amount for the decreased number of shares reserved for purchase. The Company was also requested to consider confiscating deposit of the decreased number of shares reserved for purchase. Later, the Board of Directors' Meeting resolved to approve the Company's confiscation of the deposit amounting to 43 million baht, which must appear in 'profit & loss in the whole amount.

From 1-5 February 2016, the Company received 497 million baht from the allotment and offering of 22,599,491,250 shares for capital increase from existing shareholders, at the price of 0.022 baht per share. The total value was 497,188,80 baht. The Company also registered the paid-up capital increase with the Ministry of Commerce on 15 February 2016 (225,994,913 baht issued and paid-up capital and paid-in capital in excess of par value of 271,193,895 baht).

Capital Expenditure

On 2 April 2015, the Company entered into a share purchase agreement with Thaworn Energy (2013) Company Limited and made the first payment, amounting to 40 million baht, to four existing shareholders. This payment was recorded as investment in subsidiaries with a full amount of advance payment. The project has not been completed yet.

Investments in projects as of 30 September 2016 were as follows:

1. The Procurement of Potential Land for Power Plant Construction for Resale to Interested Investors, with a cost incurred of 156.22 million baht.
2. Waste Plastic Recycling in Rayong, with a cost incurred of 667 million baht.
3. The Development of Technology and the Model of Solid Waste Management by Processing Fresh Waste to Waste Fuel in Hat Yai, with a cost incurred of 129 million baht.
4. Application of Technology and Development of the Model of the Municipal Waste-Based Small Power Plant in Hat Yai, with a cost incurred of 122 million baht.
5. Waste Plastic Recycling at the Southern Industrial Estate, Chalung sub-district, Hat Yai district, Songkhla province, with a cost incurred of 74 million baht.

6. Rental of the Front-end System Project for processing raw materials into fuels, with a cost incurred of 26 million baht.

Leverage and Compliance with Covenants

• IEC Mae Tha Mae Taeng Company Limited (Its former name was “Team Solar Company Limited”)

On 26 May 2015, IEC Mae Tha Mae Taeng Company Limited (“the Subsidiary”) entered into a loan agreement with a financial institution to operate a power plant project in Mae Taeng district, Chiang Mai province, under the credit line of 142 million baht and a 7-year payback period. The principal payment shall be made in monthly installments, at least 1.69 million baht per month. The first installment of payment shall be within the following month from the month in which the loan is withdrawn. The interest payment was on a monthly basis, at the MLR interest rate -1.50% per year.

As for the long-term loan from financial institutions used for operating the power plant project in Mae Tha district, Lamphun province, the total credit lines amounted to 143 million baht, under the following covenants:

- The Company shall not pay dividends or change the shareholding proportion throughout the loan period unless upon a written consent from the lender.
- The additional debt incurrence exceeding 20 million baht (except normal commercial debt) shall be approved by the bank.
- The total number of the Company’s shares shall be pledged throughout borrowing period.
- The shareholders’ structure shall not be changed unless upon the approval from the bank. The Team Solar Co., Ltd. shall hold 100% of shares by IEC Green Energy Co., Ltd. And shall hold 100% of shares by International Engineering Co., Ltd. (IEC).
- The loan from existing or future directors and/or related companies shall be subordinated loan. The Company is prohibited from paying pack the loan until the bank loan payback is completed.

• **IEC Sakaeo 1 Company Limited (Its former name was “Kaew Lamduan Power Supply Company Limited” (“KPS”))**

On 8 October 2010 and 11 July 2014, the Company entered into loan agreements with a local financial institution to construct a biomass power plant, with the balance of 520 million baht. Its details are outlined below:

- The 1st line of credit: 173 million baht (its whole amount was withdrawn), in payment for foreign machinery.
- The 2nd line of credit: 142 million baht (its whole amount was withdrawn), in payment for foreign machinery.
- The 3rd line of credit: 120 million baht (its whole amount was withdrawn) in payment for power generation building construction.
- The 4th line of credit: 60 million baht (its whole amount was withdrawn) in payment for power generation building foundation construction.
- The 5th line of credit: 2 million baht (its whole amount was withdrawn) in payment for construction supervision.
- The 6th line of credit: 13 million baht (its whole amount was withdrawn) in payment for management guarantees.
- The 7th line of credit: 10 million baht (its whole amount was withdrawn) in payment for the fire protection system.

From the 1st month to the 36th month, the interest shall be paid on a monthly basis at the MLR interest rate -1% per year. From the 37th month, the MLR interest rate -0.50% per year. The exception is the 7th line of credit – The grace period for the principal and interest is 2 months, and from the 3rd month, the principal and interest at the MLR interest rate per year must be paid.

Later, the company revised the loan agreements and recently on 28 October 2014, the principal and interest payment for all line of credits was changed as follows:

- Except interest installment from the period of June 2014 to December 2014 for 19.05 million baht (Posted Interest Suspense). Total instalments are 12 installments under equal instalment starting from January 2015 to December 2015

- Monthly interest payment term is from June 2014 to December 2018 in the rate of MLR -0.5% and from July 2018 henceforth in the rate of MLR +1%. The interest payment is started to be changed for the first instalment in January 2015.
- Payback term for principle is 108 installments for 20,000 – 1,600,000 baht per instalment. The first instalment is July 2015 and last instalment is June 2024.
- Last instalment in June 2024, all outstanding principle and interest is paid back.

From January to February 2016, the Subsidiary (IEC Sakaeo 1 Company Limited) defaulted on debt repayment (9.64 million baht principal and 4.95 million baht interest) amounting to 14.59 million baht to a commercial bank. This subsidiary entered into an agreement on debt restructuring on 29 March 2016 to request changing the debt repayment conditions for the default portion, as follows:

- 1) The grace period will be from January 2016 to February 2016. From March 2016 onwards, the principal and interest payment shall be made by installments to the bank as specified in the agreement on each types of loan.
- 2) Making a payment for the principal suspended from January 2016 to February 2016, amounting to 9.64 million baht, on four monthly installments, each with 2.41 million baht. The first payment shall be made in June 2016, and the payment shall be completed in September 2016 at the MLR interest rate -0.5% per year, calculated based on the outstanding principle until the payment is completed.
- 3) Making an interest payment of 4.95 million baht by four monthly installments, each with 1.24 million baht. The first payment shall be made in June 2016, and the payment shall be completed in September 2016 without interest.

• Liabilities and Off-Balance Sheet Burden Management Obligations

As of 31 December 2015, the total liabilities of the Company and its subsidiaries amounted to 1,118.65 million baht comparing to 1,031.47 million baht in 2014, an increase of 87.18 million baht or 8.45% due to increase in loans from bank and placing guarantee deposit for a certain other company to inspect the status of a subsidiary (IEC Mae Ramat Co., Ltd.) in solar electricity generation and distribution project before selling off investments in the subsidiary.

As of 31 March 2016, the total liabilities of the Company and its subsidiaries amounted to 1,400,255 million baht.

Consolidated financial statements

Separate financial statements

30 September 2016 31 December 2015 31 December 2014 31 March 2016 31 December 2015 31 December 2014

(million baht)

Capital expenditure obligations

Plasma technology-based waste plant design	-	-	10	-	-	-
Equipment for installing the Digital Mobile TV Project	96	96	96	96	96	96
Costs of construction and machines & equipment						
the waste separation project in Hat Yai	11	28	119	-	-	-
Costs of construction and machines & equipment for						
the rental of the front-end system in SaKaeo	58					
Costs of construction and machines & equipment for the						
waste						
disposal plant and the waste-to-energy power production						
plant	-	-	23	-	-	-
Application of Technology and Development of the Model						
of						
The Municipal Waste-Based Small Power Plant in Hat Yai	3	24	-	-	-	-
Costs of construction and machines for the Waste						
Plastic Recycling Project in Songkhla	83	81	-	82	81	-
Costs of construction and machines for the Waste						
Plastic Recycling Project in Rayong	84	137	-	84	77	-
Total	335	366	248	262	254	96
Long-term lease and service commitments						
Within 1 year	22	17	6	16	17	5
Over 1 year-5 years	13	22	10	15	19	8
Over 5 years	20	26	21	10	9	11
Total	55	65	37	41	45	24
Other obligations						
Issuance of guarantees for bidding						
and compliance with agreements with banks	8.8	48	43	46	48	43
Software maintenance	-	1	3	-	1	3
Bank guarantees for the power purchase agreement with the PEA	6	6	5	-	-	-
Total	14.8	55	51	46	49	46

As of 31 December 2015 and 30 September 2016, the Company Group's obligations were as the followings:

- 1) From 2010, the Company operated the Digital Mobile TV Project on UHF in Channel 58, with the budget cost of 250 million baht. The total cost incurred as of 31 December 2015 was 154 million baht and the balance was 96 million baht.
- 2) An indirect subsidiary (Gidec Company Limited) proceeded with the construction of waste disposal facility and waste-based power plant on a plot of land leased from Hat Yai municipality, Songkhla province with the budget cost of 979 million baht in total (including technology licensing fee). The total cost incurred as of 30 September 2016 was 937 million baht (including 80 million baht of technology incensing fee). The construction contract however stipulated penalty on delaying construction and the subsidiary therefore had to pay the penalty for late construction of waste disposal plant amounted to 32.19 million baht. The balance as of 30 September 2016 was at 23.18 million baht recorded under "Allowance for penalty on delay construction" entry in the consolidated financial statements.
- 3) On 8 April 2015, the Company ("the Buyer") entered into an agreement on purchasing waste from the sorting of organic fertilizer with a company ("the Seller"), whereby the Buyer agreed to buy waste from the soring of organic fertilizer to use as a raw material of producing recycled plastic at a fixed price rate of 225 baht per ton for a 10-year period, from the agreement date.

• Factors Affecting Future Operations

The Company has improved its business structure by cancelling non-profit business and investing in energy business including improvement of the organizational structure to support new business of the company.

The new business is energy business, which involves low risks, provides long-term income security, and gains support from the government sector.

The International Engineering Public Company Limited

and its Subsidiaries

Auditor's Review Report and
Consolidated Interim Financial Statements
For the nine-month Period Ended 30 September 2016

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Board of Directors and the Shareholders of The International Engineering Public Company Limited

I was engaged to review the accompanying consolidated statement of financial position as at 30 September 2016, and the related consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2016, the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2016, and condensed notes to the interim financial statements of The International Engineering Public Company Limited and subsidiaries. I also reviewed the separate statement of financial position as at 30 September 2016, and the related separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2016, the statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2016, and condensed notes to the interim financial statements of The International Engineering Public Company Limited. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim financial reporting". My responsibility is to issue a concluding report on this interim financial information based on my review.

Scope of Review

Because of the matters described in the following paragraph, Basis of Disclaimer Conclusion, I was unable to obtain sufficient appropriate evidence as a basis for issuing a concluding report on this interim financial information.

Basis for Disclaimer of Conclusion

As disclosed in Note 2 to the interim financial statements, the former executives of the Company are officially prosecuted by The Securities and Exchange Commission and they are under investigation by the Department of Special Investigation in respect of certain transactions in prior years. The Company had hired an independent appraiser to appraise the fair values of the related property, plant and equipment, construction projects and investments in subsidiaries that were acquired by the former executives of the Company. In the absence of information for determination of the fair values of the following assets, I am unable to issue a concluding report on the consolidated and separate financial statements:

1. Investments in subsidiary companies and goodwill

As at 30 September 2016, the Company has an investment in IEC Sakaeo 1 Co.,Ltd., (subsidiary) of Baht 445 million which includes an additional investment made by the former executives during the period of Baht 100 million. The current management cannot determine the fair value of the subsidiary or the additional investment of Baht 100 million of the subsidiary's shares. The current management has engaged an independent appraiser to appraise the fair value of the investment and related goodwill (as disclosed in notes 14 and 18 to the interim financial statements) which result of appraisal has not been received. I cannot conclude whether such transaction should be adjusted or not.

In addition, as at 30 September 2016, the Company has investments in other subsidiaries (IEC Green Energy Co., Ltd. and E – Contech Management Pte. Ltd) totaling Baht 528 million, for which allowances for impairment have not been taken up in the books as they are currently being appraised by an independent appraiser, engaged by the Company, to determine the fair value of the investments in the separate financial statements. This may affect the value of goodwill in the consolidated financial statements as well. I cannot conclude on the impact to the valuation of investments and goodwill presently recorded in the accounts.

The consolidated financial statements as at 30 September 2016 included assets and liabilities of a subsidiary of Baht 455.46 million and Baht 244.63 million, respectively, and revenues for the three-month and nine-month periods then ended of Baht 14.95 million and Baht 55.34 million, respectively. Those assets, liabilities and revenues are based on financial information prepared by management and have not been reviewed by the auditor because currently, such subsidiary is not under the control of the Company's management. The Company sold such subsidiary in the year 2016 and classified such investment as Assets and Liabilities - held for sales and discontinued operations. I am unable to review whether adjustments are required for Assets and Liabilities held for sales and discontinued operations or not.

2. Property, plant and equipment

As disclosed in note 16, the consolidated and separate financial statements as at 30 September 2016 include the net carrying amounts of property, plant and equipment, project under construction totaling Baht 2,530.95 million and Baht 508.69 million, respectively, (net impairment totaling Baht 295.61 million and Baht 78.35 million, respectively) However, the Company has hired independent appraiser to appraise their fair values to consider impairment (if any) for possible adjustment to the financial statements to make the financial information more current. So far, the appraisal has not been completed. I cannot conclude whether it is necessary to adjust the book values of such assets or not.

3. Non – operating assets

As disclosed in note 17 the consolidated and separate financial statements as at 30 September 2016 include the carrying amounts of non – operating assets of Baht 342.68. The Company has hired an independent appraiser to appraise the fair value of this asset to determine the impairment (if any) for possible adjustment to the financial statements to make the financial information more current. So far, the appraisal has not been completed. I cannot conclude whether it is necessary to adjust the book values of such assets or not.

4. Waste technology and waste generator electricity

The current management was unable to find sufficient and appropriate documents to support the acquisition costs of waste technology and waste generator electricity of an indirect subsidiary executed by the former management with book values totaling Baht 74 million as at 30 September 2016. The current management believes that such value was unreasonably overstated, and has engaged an independent appraiser to verify the values of such assets. I cannot determine whether adjustment is needed for such assets or not.

Disclaimer of Conclusion

Due to the significance of the matters described in the Basis for Disclaimer of Conclusion paragraph, I am unable to obtain sufficient appropriate evidence to form a conclusion on the accompanying interim financial information as at 30 September 2016 and for the three-month and nine-month periods ended 30 September 2016 of The International Engineering Public Company Limited and subsidiaries. Accordingly, I do not give any conclusion on the interim consolidated and separate financial information as a whole.

Emphasis of Matters

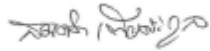
Without modifying my conclusion, I draw attention note 6 to the financial statements which describes certain corrections to the prior year financial statements relating to an indirect subsidiary's adjustments for the revenue recognition which was incorrectly recognized in the wrong period during the year 2015, and the classification of a subsidiary held for sale and discontinued operations. These items were retroactively adjusted in the consolidated and separate financial statements.

Other matters

The consolidated statement of financial position of The International Engineering Public Company Limited and subsidiaries and the separate statement of financial position of The International Engineering Public Company Limited as at 31 December 2015 (before restatement) were audited by another auditor, who issued an unqualified opinion in her audit report dated 29 February 2016. Without qualifying her opinion, she draws attention that the Group/Company had profit (loss) for the year amount of Baht (50.99) million and Baht 25.92 million, respectively, and had negative cash flows from operating activities of Baht 45.23 million and Baht 132.20 million, respectively, in the consolidated and separate financial statements. She also emphasized that a subsidiary had defaulted the debt repayment under loan agreement in January 2016 of Baht 7.26 million (because of the cease of electricity production in order to modify the machinery system to support a change of using new raw materials).

In addition, the Company had some litigation cases in process, while the future economic benefits of the Group / Company depend on the completion of projects under construction. These factors raise substantial doubt about the Group's / Company's ability to continue as a going concern.

The consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2015, the consolidated statement of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2015 of The International Engineering Public Company Limited and subsidiaries and the separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2015, the separate statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2015 of The International Engineering Public Company Limited (before restatement), were reviewed by other auditor who issued her review report dated 13 November 2015 with an unqualified conclusion. Without qualified her conclusion, she emphasized that the Group / Company had negative cash flows from operating activities, with many cases of litigation in process of resolving, which raised substantial doubt about the Group's / Company's ability to continue as a going concern.



Mr. Somckid Tiatragul

Certified Public Accountant

Registration No. 2785

Grant Thornton Limited

Bangkok

14 December 2018

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Separate F/S							
	30 September 2016		31 December 2015		31 December 2014		31 December 2013	
	(Unaudited but Reviewed)	%	(Restated) (Audited)	%	(Audited)	%	(Audited)	%
Current assets								
Cash and cash equivalents	112,060	4.30	80,698	2.26	379,405	12.91	295,746	15.72
Trade and other accounts receivable	22,872	0.88	18,313	0.51	166,414	5.66	112,060	5.96
Inventories	-	-	-	-	6,149	0.21	139,939	7.44
Short - term loans to subsidiary companies and accrued interest income	22,353	0.86	1,406,683	39.39	1,273,904	43.36	696,780	37.04
Investment and assets available for sale	50,000	1.92	-	-	-	-	-	-
Other current assets	90,865	3.49	64,730	1.81	-	-	-	-
Assets held for sales and discontinued operations	214,000	8.22	214,000	5.99	-	-	-	-
Total current assets	512,150	19.67	1,784,424	49.97	1,825,871	62.15	1,244,525	66.15
Non - current assets								
Restricted deposits with banks	13,678	0.53	34,927	0.98	57,331	1.95	56,367	3.00
Other investments	1,492	0.06	1,233	0.03	1,308	0.04	1,074	0.06
Advance payment for purchase of investment	-	-	40,000	1.12	-	-	-	-
Investments in subsidiaries	972,997	37.36	874,052	24.48	1,004,762	34.20	523,417	27.82
Long - term loans to subsidiary company	69,850	2.68	-	-	-	-	-	-
Investment properties	159,746	6.13	143,702	4.02	-	-	-	-
Property, plant and equipment	508,686	19.53	662,107	18.54	15,690	0.53	16,905	0.90
Non - operating assets	342,675	13.16	-	-	-	-	-	-
Leasehold rights	9,268	0.36	13,927	0.39	22,075	0.75	24,029	1.28
Goodwill	-	-	-	-	-	-	-	-
Deferred cost of rights to use electricity transmission system	-	-	-	-	-	-	-	-
Intangible assets	4,892	0.19	7,915	0.22	8,597	0.29	8,251	0.44
Deferred tax assets	-	-	-	-	-	-	-	-
Other non - current assets	8,819	0.34	8,703	0.24	2,399	0.08	6,694	0.36
Total non - current assets	2,092,103	80.33	1,786,566	50.03	1,112,161	37.85	636,736	33.85
Total assets	2,604,253	100.00	3,570,990	100.00	2,938,032	100.00	1,881,261	100.00

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Separate F/S							
	30 September 2016		31 December 2015		31 December 2014		31 December 2013	
	(Unaudited but Reviewed)	%	(Restated) (Audited)	%	(Audited)	%	(Audited)	%
LIABILITIES AND SHAREHOLDERS' EQUITY								
Current liabilities								
Bank overdrafts and short - term loans from financial institutions	-	-	10,164	0.28	514	0.02	2,586	0.07
Trade and other accounts payable	43,829	1.68	51,341	1.44	129,676	5.17	191,813	5.29
Accrued expenses	10,604	0.41	6,331	0.18	-	-	-	-
Current portion of long - term loans from financial institutions and accrued interest	-	-	-	-	-	-	-	-
Current portion of liabilities under finance lease agreements	925	0.04	869	0.02	-	-	-	-
Short - term loans from others	95,000	3.65	-	-	-	-	-	-
Allowance for penalty on delay construction	-	-	-	-	-	-	-	-
Buyer's deposit for purchase of subsidiary	50,000	1.92	50,000	1.40	-	-	-	-
Other current liabilities	10,954	0.42	35,125	0.98	-	-	-	-
Liabilities held for discontinued operations	-	-	-	-	-	-	-	-
Total current liabilities	211,312	8.11	153,830	4.31	130,190	5.19	194,400	5.36
Non - current liabilities								
Long - term loans from financial institutions and accrued interest	-	-	-	-	-	-	-	-
Liabilities under finance lease agreements	2,290	0.09	2,992	0.08	-	-	-	-
Employee benefits obligation	17,751	0.68	13,662	0.38	4,217	0.17	3,038	0.08
Reserve for long - term liabilities	77,941	2.99	77,941	2.18	77,941	3.11	107,822	2.97
Other non - current liabilities	3,185	0.12	2,898	0.08	2,225	0.09	2,424	0.07
Total non - current liabilities	101,167	3.88	97,493	2.73	84,383	3.37	113,284	3.12
TOTAL LIABILITIES	312,479	12.00	251,323	7.04	214,573	8.56	307,684	8.48

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Separate F/S							
	30 September 2016		31 December 2015		31 December 2014		31 December 2013	
	(Unaudited but Reviewed)	%	(Restated) (Audited)	%	(Audited)	%	(Audited)	%
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)								
Shareholders' equity								
Share capital - common share at Baht 0.01 par value								
- Registered 244,074,505,500 shares (2015 : 204,824,585,000 shares)	2,440,745		2,048,246		2,048,245		16,206,440	
- Issued and paid - up 203,414,716,791 shares (2015 : 180,795,930,000 shares)	2,034,147	78.11	1,807,959	50.63	1,648,246	65.76	12,002,008	0.33
Share premium (discount)	1,304,830	50.10	1,033,347	28.94	618,092	24.66	(7,587,690)	(209.18)
Share premium from reduction in par value of common share	464,905	17.85	464,905	13.02	464,905	18.55	-	-
Retained earnings (deficit)	-	-	-	-	-	-	-	-
Appropriated	-	-	-	-	-	-	-	-
Legal reserve	2,096	0.08	2,096	0.06	800	0.03	400	0.01
Unappropriated	(1,515,171)	(58.18)	10,652	0.30	(9,366)	(0.37)	(2,841,689)	(78.34)
Other components of shareholders' equity	967	0.04	708	0.02	783	0.03	549	0.02
Equity attributable to the Company's shareholders	2,291,774	88.00	3,319,667	92.96	2,723,460	108.66	1,573,578	(287.16)
Non - controlling interests	-	-	-	-	-	-	-	-
Total shareholders' equity	2,291,774	88.00	3,319,667	92.96	2,723,460	91.44	1,573,578	91.52
	-	-	-	-	-	-	-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,604,253	100.00	3,570,990	100.00	2,938,032	100.00	1,881,261	100.00

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Unaudited but reviewed)

(Unit : Thousand Baht)

	Separate F/S							
	30 September 2016		31 December 2015		31 December 2014		31 December 2013	
	(Unaudited but Reviewed)	%	(Restated) (Audited)	%	(Audited)	%	(Audited)	%
Revenue from sales electricity	-	-	-	-	-	-	-	-
Revenues from services	21,426	100	34,309	100	239,182	100.00	54,587	100.00
Total revenue	21,426	100	34,309	100	239,182	100.00	54,587	100.00
Cost of sales	-	-	-	-	-	-	-	-
Cost of services	(18,184)	(84.87)	(20,654)	(60.20)	206,035	86.14	32,635	59.78
Total costs	(18,184)	(84.87)	(20,654)	(60.20)	206,035	86.14	32,635	59.78
Gross profit	3,242	15.13	13,655	39.80	33,147	13.86	21,952	40.22
Other revenues	160,520	749.18	95,182	277.43	92,178	38.54	41,371	75.79
Reversal of provision for liabilities	-	-	-	-	29,880	12.49	577,246	1,057.48
Reversal of allowance for impairment of assets	13,268	61.92	21,400	62.37	-	-	-	-
Forfeited deposit for shares subscribed by third party	-	-	43,252	126.07	-	-	-	-
Profit before expenses	177,030	826.24	173,489	505.67	155,205	64.89	640,570	1,173.49
Selling expenses	(2,971)	(13.87)	(3,247)	(9.46)	(1,562)	(0.65)	(2,324)	(4.26)
Administrative expenses	(227,527)	(1,061.92)	(122,998)	(358.50)	(130,416)	(54.53)	(115,115)	(210.88)
Other expenses	-	-	-	-	(853)	(0.36)	(419,695)	(768.86)
Loss on impairment of investments in subsidiaries	(1,055)	(4.92)	-	-	-	-	-	-
Loss on impairment of assets	(85,258)	(397.92)	-	-	-	-	-	-
Provision for doubtful accounts for short - term loans to subsidiary companies and accrued interest income	(1,383,931)	(6,459.12)	(10,100)	(29.44)	-	-	-	-
Profit (loss) before finance costs and income tax	(1,523,712)	(7,111.51)	37,144	108.25	22,374	9.35	103,436	189.49
Finance costs	(2,111)	(9.85)	(3)	-	(35)	(0.01)	(2,581)	(4.73)
Profit (loss) before income tax	(1,525,823)	(7,121.36)	37,141	108.25	22,339	9.34	100,855	184.76
Income tax benefit	-	-	-	-	-	-	-	-
Profit (loss) from continuing operations	(1,525,823)	(7,121.36)	37,141	108.25	22,339	9.34	100,855	184.76
Profit from discontinued operations	-	-	-	-	-	-	-	-
Profit (loss) for the period	(1,525,823)	(7,121.36)	37,141	108.25	22,339	9.34	100,855	184.76
OTHER COMPREHENSIVE INCOME								
Item that will not be reclassified subsequently to profit or loss								
Actuarial loss	-	-	(3,569)	(10.40)	-	-	-	-
Item that will be reclassified subsequently to profit or loss								
Gain (loss) on fair value of available for sale investments	259	1.21	(68)	(0.20)	234	0.10	549	1.01
Other comprehensive income (loss) for the period - net of tax	259	1.21	(3,637)	(10.60)	234	0.10	549	1.01
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(1,525,564)	(7,120.15)	33,504	97.65	22,572	9.44	101,404	185.77

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

(Unaudited but reviewed)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Unit : Thousand Baht)

		Separate F/S							
		30 September 2016		31 December 2015		31 December 2014		31 December 2013	
		(Unaudited but	%	(Restated)	%		%		%
		Reviewed)		(Audited)		(Audited)		(Audited)	
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO :									
Equity holders of the Company		(1,525,823)	(7,120.15)	37,141	97.65	22,339	9.34	100,855	184.76
Non - controlling interests		-	-	-	-	-	-	-	-
		(1,525,823)	(7,120.15)	37,141	97.65	22,339	9.34	100,855	184.76
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD									
ATTRIBUTABLE TO :									
Equity holders of the Company		(1,525,823)	(7,120.15)	37,141	97.65	22,572	9.44	101,404	185.77
Non - controlling interests		-	-	-	-	-	-	-	-
		(1,525,564)	(7,120.15)	37,141	97.65	22,572	9.44	101,404	185.77
BASIC EARNINGS (LOSS) PER SHARE									
Profit (loss) (Baht : Share)		(0.0076)		0.0002		0.0002		0.012	

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

(Unaudited but reviewed)

STATEMENTS OF CASH FLOWS

(Unit : Thousand Baht)

	Separate F/S			
	30 September 2016	31 December 2015	31 December 2014	31 December 2013
	(Unaudited but Reviewed)	(Restated) (Audited)	(Audited)	(Audited)
Cash flows from operating activities				
Profit (loss) before income tax				
From continuing operations	(1,525,823)	37,141	22,339	100,855
From discontinued operations	-	-	-	-
Total	(1,525,823)	37,141	22,339	100,855
Adjustments to reconcile profit (loss) before income tax to				
net cash provided from (used in) operating activities:				
Interest income	(82,245)	(86,519)	(76,107)	(31,790)
Interest expense	974	3	35	2,581
Depreciation and amortization	8,441	6,023	7,618	6,394
Provision for doubtful accounts from trade and other accounts receivable	156	-	-	-
Doubtful accounts from short-term loans and accrued interest income	1,343,917	10,388	7,935	18,533
Loss on impairment of property, plant and equipment	78,348	-	-	-
Loss on impairment of intangible assets	6,910	-	-	-
Loss on impairment of deposit for purchase of shares in a subsidiary	40,000	-	-	-
Loss on impairment of investment in subsidiaries	1,055	-	-	-
Loss on impairment of other asset	-	-	-	-
Loss on write-off of investment properties	23,100	4	823	64,164
Loss on write-off property, plant and equipment	218,163	-	-	-
Loss on devaluation of investment	-	-	-	351,670
Reversal of allowance for devaluation of inventories	-	(188)	(32)	(3,744)
Reversal of allowance for impairment assets	(13,268)	(21,400)	63	254
Reversal of provisions	-	-	-	(577,246)

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

(Unaudited but reviewed)

STATEMENTS OF CASH FLOWS

(Unit : Thousand Baht)

	Separate F/S			
	30 September 2016	31 December 2015	31 December 2014	31 December 2013
	(Unaudited but Reviewed)	(Restated) (Audited)	(Audited)	(Audited)
Reversal of provision loss from contingent liabilities	-	-	(29,880)	486
Employee benefit expenses	2,065	3,389	1,179	776
Loss on sale of equipment	-	-	30	961
Gain on disposal of equipment	-	(769)	-	-
Gain on disposal of leasehold rights	(11,238)	(3,028)	-	-
(Gain) Loss on sale of investments	-	-	(4,550)	2,900
Gain on forfeiting deposit for shares subscription	-	(43,252)	-	-
Dividend received	(45,163)	(34)	-	-
Reversal of allowance for impairment of advance payment for assets	-	-	-	-
Loss on write-off of advance payment for assets	-	-	-	-
Loss on write-off of non-current assets	-	3,800	-	-
Amortization of allowance for penalty on delay construction	-	-	-	-
Income tax benefit	-	-	-	-
Cash provided from (used in) operations before changes in operating assets and liabilities	45,392	(94,442)	(70,547)	(63,207)
Decrease (increase) in operating assets:				
Trade and other accounts receivable	(2,938)	(12,324)	(234)	53,986
Inventories	-	(3,464)	133,823	(135,264)
Other current assets	(31,637)	-	-	-
Other non-current assets	(116)	(6,986)	4,295	3,899
Increase (decrease) in operating liabilities:				
Trade and other accounts payable	(7,512)	3,170	(126,256)	125,335
Deposit received from buyer of subsidiary	-	50,000	-	-
Accrued expenses	4,273	-	-	-
Other current liabilities	(24,171)	-	-	-
Other non-current liabilities	287	385	(200)	423
Cash provided from (used in) operating activities	(16,422)	(63,661)	(59,119)	(14,829)
Withholding tax refunded	5,448	1,856	-	14,884
Withholding tax paid	(946)	(1,814)	(5,448)	(4,559)
Net cash provided from (used in) operating activities	(11,920)	(63,619)	(64,568)	(4,504)

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

(Unaudited but reviewed)

STATEMENTS OF CASH FLOWS (CONTINUED)

(Unit : Thousand Baht)

	Separate F/S			
	30 September 2016	31 December 2015	31 December 2014	31 December 2013
	(Unaudited but	(Restated)		
	Reviewed)	(Audited)	(Audited)	(Audited)
Cash Flows from Investing Activities:				
Increase in available - for - sale investment	(50,000)	-		
Purchase of investment in subsidiary from non controlling interest	(100,000)	(82,235)		
Interest received	82,245	63,521	27,461	6,663
Decrease (increase) in restricted deposits with banks	21,249	(13,744)	(964)	(33,749)
Purchase of investment property	-	-		
Purchase of property, plant and equipment	(174,785)	(735,946)	(4,901)	(8,792)
Sales of plant and equipment	-	-	12	956
Purchase of intangible assets	(4,565)	(296)		
Purchase of non - operating assets	(342,675)	-		
Proceed from disposal of equipment	-	4,131		
Proceed from disposal of leasehold rights	14,953	9,500		
Increase in short - term loans to subsidiary companies	(245,481)	(135,600)	(640,184)	(564,420)
Proceed from short - term loans to subsidiary companies	285,894	149,370	55,100	44,093
Paid for long - term loans to subsidiary company	(69,850)	-		
Prepaid investment in subsidiary	-	(40,000)	(488,275)	(572,600)
Proceed from sale of investment	-	-	11,480	2,100
Advance payment for assets	-	-	(823)	-
Net cash used in investing activities	(583,015)	(781,299)	(1,041,095)	(1,125,750)

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

(Unaudited but reviewed)

STATEMENTS OF CASH FLOWS (CONTINUED)

(Unit : Thousand Baht)

	Separate F/S			
	30 September 2016	31 December 2015	31 December 2014	31 December 2013
	(Unaudited but Reviewed)	(Restated) (Audited)	(Audited)	(Audited)
Cash Flows from Financing Activities				
Interest paid	(727)	(3)	(35)	(2,581)
Increase (decrease) in bank overdrafts and short-term loans from financial institution	(10,164)	(40)	(2,072)	(7,361)
Proceed from short - term loans from others	95,000	-	-	33,000
Repayment of short - term loans from others	-	-	-	(33,000)
Proceed from long - term loans from financial institutions	-	-	-	77,000
Repayment of long - term loans from financial institutions	-	-	-	(77,000)
Payment for liabilities under finance lease agreements	(646)	-	-	-
Dividend receive	45,163	34	-	-
Advance receive for subscription	-	-	72,000	-
Cash received from share capital increment	497,671	546,220	-	-
Proceed from issue of increased share capital	-	-	1,119,428	1,367,194
Net cash provided from financing activities	626,297	546,211	1,189,321	1,357,253
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,362	(298,707)	83,661	226,156
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	80,698	379,405	295,746	69,592
CASH AND CASH EQUIVALENTS AT END OF PERIOD	112,060	80,698	379,407	295,749

Supplemental disclosures for cash flows information

Non-cash transactions :

- Transfer advance received for subscription to ordinary share	-	-	7,881.03	-
- Reducing par value of ordinary shares for offsetting deficit and discount on ordinary shares	-	-	11,125,659	-

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Consolidated F/S							
	30 September 2016		31 December 2015		31 December 2014		31 December 2013	
	(Unaudited but Reviewed)	%	(Restated) (Audited)	%	(Audited)	%	(Audited)	%
Current assets								
Cash and cash equivalents	193,192	4.23	103,447	2.31	479,087	12.31	377,904	14.55
Trade and other accounts receivable	113,761	2.49	68,659	1.53	311,950	8.02	162,355	6.25
Inventories	396	0.01	12,476	0.28	18,151	0.47	141,108	5.43
Short - term loans to subsidiary companies and accrued interest income	-	-	-	-	-	-	-	-
Investment and assets available for sale	50,000	1.09	-	-	-	-	-	-
Other current assets	194,495	4.26	241,479	5.39	-	-	-	-
Assets held for sales and discontinued operations	455,462	9.97	483,225	10.79	-	-	-	-
Total current assets	1,007,306	22.04	909,286	20.29	809,187	20.80	681,367	26.23
Non - current assets								
Restricted deposits with banks	34,239	0.75	52,633	1.17	70,917	1.82	64,555	2.49
Other investments	1,492	0.03	1,233	0.03	1,308	0.03	1,074	0.04
Advance payment for purchase of investment	-	-	40,000	0.89	24,903	0.64	73,536	2.83
Investments in subsidiaries	-	-	-	-	-	-	-	-
Long - term loans to subsidiary company	-	-	-	-	-	-	-	-
Investment properties	223,055	4.88	207,615	4.63	7,220	0.19	-	-
Property, plant and equipment	2,530,954	55.38	2,838,140	63.35	2,428,679	62.42	1,478,691	56.92
Non - operating assets	342,675	7.50	-	-	-	-	-	-
Leasehold rights	9,268	0.20	13,927	0.31	22,075	0.57	24,029	0.93
Goodwill	239,322	5.24	239,322	5.34	348,353	8.95	245,765	9.46
Deferred cost of rights to use electricity transmission system	42,882	0.94	44,273	0.99	50,444	1.30	7,600	0.29
Intangible assets	81,852	1.79	87,403	1.95	89,267	2.29	9,209	0.35
Deferred tax assets	1,563	0.03	855	0.02	-	-	-	-
Other non - current assets	55,721	1.22	45,722	1.02	38,813	1.00	11,857	0.46
Total non - current assets	3,563,023	77.96	3,571,123	79.71	3,081,979	79.20	1,916,315	73.77
Total assets	4,570,329	100.00	4,480,409	100.00	3,891,166	100.00	2,597,682	100.00

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Consolidated F/S							
	30 September 2016		31 December 2015		31 December 2014		31 December 2013	
	(Unaudited but Reviewed)	%	(Restated) (Audited)	%	(Audited)	%	(Audited)	%
LIABILITIES AND SHAREHOLDERS' EQUITY								
Current liabilities								
Bank overdrafts and short - term loans from financial institutions	29,552	0.65	39,693	0.89	22,157	0.57	10,385	0.40
Trade and other accounts payable	102,158	2.24	143,816	3.21	292,842	7.53	341,853	13.16
Accrued expenses	60,223	1.32	26,245	0.59	-	-	-	-
Current portion of long - term loans from financial institutions and accrued interest	-	-	-	-	-	-	-	-
	85,062	1.86	98,400	2.20	49,200	1.26	117,280	4.51
Current portion of liabilities under finance lease agreements	925	0.02	869	0.02	-	-	867	0.03
Short - term loans from others	96,500	2.11	2,000	0.04	25,620	0.66	85,000	3.27
Allowance for penalty on delay construction	23,178	0.51	32,190	0.72	-	-	-	-
Short - term provisions	-	-	-	-	35,743	0.92	35,743	1.38
Buyer's deposit for purchase of subsidiary	50,000	1.09	50,000	1.12	-	-	-	-
Accrued income tax	-	-	-	-	535	-	-	-
Other current liabilities	19,693	0.43	-	-	-	-	-	-
Liabilities held for discontinued operations	244,633	5.35	2,342	0.05	-	-	-	-
Total current liabilities	711,924	15.58	395,555	8.83	426,097	11.86	591,128	22.76
Non - current liabilities								
Long - term loans from financial institutions and accrued interest	577,773	12.64	616,064	13.75	581,087	14.93	293,090	11.28
Liabilities under finance lease agreements	2,290	0.05	2,992	0.07	-	-	-	-
Employee benefits obligation	19,417	0.42	15,909	0.36	6,480	0.17	5,038	0.19
Reserve for long - term liabilities	77,941	1.71	77,941	1.74	8,326	0.21	38,206	1.47
Deferred tax liabilities	-	-	-	-	66	0.00	-	-
Other non - current liabilities	10,910	0.24	10,187	0.23	9,417	0.24	2,876	0.11
Total non - current liabilities	688,331	15.06	723,093	16.14	605,376	15.56	339,210	13.06
TOTAL LIABILITIES	1,400,255	30.64	1,118,648	24.97	1,031,472	27.41	930,337	35.81

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Consolidated F/S							
	30 September	%	31 December	%	31 December	%	31 December	%
	2016		2015		2014		2013	
	(Unaudited but Reviewed)		(Restated) (Audited)					
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)								
Shareholders' equity								
Share capital - common share at Baht 0.01 par value								
- Registered 244,074,505,500 shares (2015 : 204,824,585,000 shares)	2,440,745		2,048,246		2,048,246		16,206,440	
- Issued and paid - up 203,414,716,791 shares (2015 : 180,795,930,000 shares)	2,034,147	44.51	1,807,959	40.35	1,648,246	42.36	12,002,008	462.03
Share premium	1,304,830	28.55	1,033,347	23.06	618,092	15.88	(7,587,690)	(292.09)
Share premium from reduction in par value of common share	464,905	10.17	464,905	10.38	464,905	11.95	-	
Retained earnings (deficit)								
Appropriated								
Legal reserve	2,096	0.05	2,096	0.05	800	0.02	400	0.02
Unappropriated	(660,817)	(14.46)	(115,766)	(2.58)	(92,771)	(2.38)	(2,916,164)	(112.26)
Other components of shareholders' equity	(45,959)	(1.01)	708	0.02	783	0.02	549	0.02
Equity attributable to the Company's shareholders	3,099,202	67.81	3,193,249	71.27	2,640,055	67.85	1,499,103	57.71
Non - controlling interests	70,872	1.55	168,512	3.76	219,639	5.64	168,242	6.48
Total shareholders' equity	3,170,074	69.36	3,361,761	75.03	2,859,694	73.49	1,667,345	64.19
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,570,329	100	4,480,409	100	3,891,166	100	2,597,682	100

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Unit : Thousand Baht)

	Consolidated F/S							
	30 September	%	31 December	%	31 December	%	31 December	%
	2016		2015 (Restated) (Audited)		2014		2013	
Revenue from sales electricity	274,909	92.69	230,861	87.06	97,676	21.25	7,039	0.93
Revenues from services	21,682	7.31	34,309	12.94	362,011	78.75	436,502	57.44
Gain on debt restructuring	-		-		-		316,368	41.63
Total revenue	296,591	100	265,170	100	459,687	100	759,909	100
Cost of sales	(235,559)	(79.42)	(163,510)	(61.66)	(290,622)	(63.22)	(395,661)	(52.07)
Cost of services	(22,657)	(7.64)	(23,179)	(8.74)	-	-	-	-
Total costs	(258,216)	(87.06)	(186,689)	(70.40)	(290,622)	(63.22)	(395,661)	(52.07)
Gross profit	38,375	12.94	78,481	29.60	169,065	36.78	364,248	47.93
Other revenues	43,430	14.64	28,514	10.75	22,916	4.99	14,445	1.90
Reversal of provision for liabilities	-	-	3,552	1.34	29,880	6.50	-	-
Reversal of allowance for impairment of assets	13,268	4.47	41,400	15.61	-	-	-	-
Forfeited deposit for shares subscribed by third party	-	-	43,252	16.31	-	-	-	-
Profit before expenses	95,073	32.06	195,199	73.61	221,861	48.26	378,693	49.83
Selling expenses	(6,314)	(2.13)	(5,972)	(2.25)	(2,486)	(0.54)	(6,920)	(0.91)
Administrative expenses	(357,501)	(120.54)	(198,718)	(74.94)	(214,311)	(46.62)	(167,877)	(22.09)
Other expenses	-	-	-	-	(5,210)	(1.13)	(99,804)	(13.13)
Loss on impairment of investments in subsidiaries	-	-	-	-	-	-	-	-
Loss on impairment of assets	(313,389)	(105.66)	-	-	-	-	-	-
Provision for doubtful accounts for short - term loans to subsidiary companies and accrued interest income	-	-	(10,100)	(3.81)	-	-	-	-
Profit (loss) before finance costs and income tax	(582,131)	(196.27)	(19,591)	(7.39)	(146)	(0.03)	104,092	13.70
Finance costs	(38,600)	(13.01)	(31,996)	(12.07)	(15,253)	(3.32)	(43,190)	(5.68)
Profit (loss) before income tax	(620,731)	(209.29)	(51,587)	(19.45)	(15,399)	(3.35)	60,902	8.01
Income tax benefit	708	0.24	839	0.32	(601)	(0.13)	-	-
Profit (loss) from continuing operations	(620,023)	(209.05)	(50,748)	(19.14)	(16,000)	(3.48)	60,902	8.01
Profit from discontinued operations	30,411	10.25	44,844	16.91	-	-	-	-
Profit (loss) for the period	(589,612)	(198.80)	(5,904)	(2.23)	(16,000)	(3.48)	60,902	8.01
OTHER COMPREHENSIVE INCOME								
Item that will not be reclassified subsequently to profit or loss								
Actuarial loss	-	-	(3,087)	(1.16)	-	-	-	-
Item that will be reclassified subsequently to profit or loss								
Gain (loss) on fair value of available for sale investments	259	0.09	(68)	(0.03)	234	0.05	549	0.07
Other comprehensive income (loss) for the period - net of tax	259	0.09	(3,155)	(1.19)	234	0.05	549	0.07
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	(589,353)	(198.71)	(9,059)	(3.42)	(15,766)	(3.43)	61,451	8.09

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Unit : Thousand Baht)

	Consolidated F/S							
	30 September		31 December		31 December		31 December	
	2016	%	2015	%	2014	%	2013	%
			(Restated)					
			(Audited)					
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO :								
Equity holders of the Company	(545,051)	(183.77)	24,801	9.35	13,409	2.92	88,309	11.62
Non - controlling interests	(44,561)	(15.02)	(30,705)	(11.58)	(29,407)	(6.40)	(27,405)	(3.61)
	(589,612)	(198.80)	(5,904)	(2.23)	(15,998)	(3.48)	60,904	8.01
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD								
ATTRIBUTABLE TO :								
Equity holders of the Company	(544,792)	(183.68)	21,646	8.16	13,642	2.97	88,858	11.69
Non - controlling interests	(44,561)	(15.02)	(30,705)	(11.58)	(29,407)	(6.40)	(27,405)	(3.61)
	(589,353)	(198.71)	(9,059)	(3.42)	(15,765)	(3.43)	61,453	8.09
BASIC EARNINGS (LOSS) PER SHARE								
Profit (loss) (Baht : Share)	(0.00273)		0.00014		0.0001		0.0011	

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS

(Unit : Thousand Baht)

	Consolidated F/S			
	30 September	31 December	31 December	31 December
	2016	2015 (Restated)	2014	2013
		(Audited)		
Cash flows from operating activities				
Profit (loss) before income tax				
From continuing operations	(609,862)	(51,587)	(15,998)	60,904
From discontinued operations	30,411	44,844	-	-
Total	(579,451)	(6,743)	(15,998)	60,904
Adjustments to reconcile profit (loss) before income tax to net cash provided from (used in) operating activities:				
Interest income	(2,168)	(5,146)	(4,826)	(2,430)
Interest expense	50,553	31,996	15,253	43,190
Depreciation and amortization	100,084	91,101	50,430	13,042
Provision for doubtful accounts from trade and other accounts receivable	62,354	(860)	-	-
Doubtful accounts from short-term loans and accrued interest income	-	433	-	-
Bad debt expense	-	-	-	4,463
Loss on impairment of property, plant and equipment	295,610	-	-	-
Loss on impairment of intangible assets	6,910	-	-	-
Loss on impairment of deposit for purchase of shares in a subsidiary	40,000	-	-	-
Loss on impairment of investment in subsidiaries	-	-	-	-
Loss on impairment of other asset	10,869	-	4,801	61,927
Loss on write-off of investment properties	23,100	-	-	-
Loss on write-off property, plant and equipment	227,728	-	-	-
Reversal of allowance for devaluation of inventories	(1,434)	(215)	(96)	(6,191)
Reversal of allowance for impairment assets	(13,268)	(21,400)	-	-
Doubtful debts expense (reversal)	-	-	(25)	749
Withholding tax written off	-	-	54	947
Loss on write-off of investment properties	-	12	3,410	1,880
Provision loss from contingent liabilities (reversal)	-	-	(29,880)	36,229
Employee benefit expenses	2,638	3,622	1,663	1,536
Gain on disposal of equipment	(2,610)	(769)	29	2,135
Gain on disposal of leasehold rights	(11,238)	(3,028)	-	-
Gain on forfeiting deposit for shares subscription	-	(43,252)	-	-
(Gain) Loss on sale of investments	-	-	(5,475)	(1,120)
Gain on debt restructuring	-	-	-	(316,368)
Dividend received	(36)	-	-	-
Reversal of allowance for impairment of advance payment for assets	-	(43,548)	-	-
Loss on write-off of advance payment for assets	-	23,548	-	-
Loss on write-off of non-current assets	-	3,800	-	-
Amortization of allowance for penalty on delay construction	-	(3,552)	-	-
Income tax benefit	-	(839)	601	-
Cash provided from (used in) operations before changes in operating assets and liabilities	209,641	25,160	19,941	(99,107)

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS

(Unit : Thousand Baht)

	Consolidated F/S			
	30 September 2016	31 December 2015 (Restated) (Audited)	31 December 2014	31 December 2013
Decrease (increase) in operating assets:				
Trade and other accounts receivable	(100,397)	(69,375)	(65,497)	(17,932)
Inventories	13,514	(23,440)	147,315	(113,683)
Other current assets	31,811	-	-	-
Other non-current assets	(9,999)	(7,229)	(26,967)	6,345
Increase (decrease) in operating liabilities:				
Trade and other accounts payable	(42,888)	(14,717)	(188,789)	160,268
Deposit received from buyer of subsidiary	-	50,000	-	-
Accrued expenses	33,814	-	-	-
Allowance for penalty on delay construction	(9,012)	-	-	-
Other current liabilities	20,033	-	-	-
Other non-current liabilities	1,043	385	(318)	29
Cash provided from (used in) operating activities	147,560	(39,216)	(114,315)	(64,080)
Withholding tax refunded	5,448	1,856	-	14,884
Withholding tax paid	(1,344)	(2,528)	(5,504)	(5,365)
Net cash provided from (used in) operating activities	151,664	(39,888)	(119,819)	(54,561)

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)

	(Unit : Thousand Baht)			
	Consolidated F/S			
	30 September	31 December	31 December	31 December
	2016	2015	2014	2013
		(Restated)		
		(Audited)		
Cash Flows from Investing Activities:				
Increase in available - for - sale investment	(50,000)	-	-	-
Purchase of investment in subsidiary from non controlling interest	(100,000)	-	-	-
Interest received	2,168	5,460	4,826	3,351
Decrease (increase) in restricted deposits with banks	18,394	(33,297)	(6,362)	(29,506)
Purchase of investment property	(848)	-	-	-
Purchase of property, plant and equipment	(331,162)	(900,100)	(159,164)	(707,813)
Purchase of intangible assets	(5,262)	(523)	-	(72)
Purchase of non - operating assets	(342,675)	-	-	-
Purchase deferred rights to use transmission line	-	-	(43,289)	(7,637)
Proceed from disposal of equipment	10,000	4,131	13	1,148
Proceed from disposal of leasehold rights	14,953	9,500	-	-
Increase in short - term loans to subsidiary companies	-	-	-	-
Proceed from short - term loans to subsidiary companies	-	-	-	-
Paid for long - term loans to subsidiary company	-	-	-	-
Prepaid investment in subsidiary	-	(40,000)	-	-
Advance payment for assets	-	20,000	(25,726)	(9,536)
Net cash outflow from acquisition of business	-	-	(348,275)	(110,000)
Proceeds from sale of investment	-	-	11,480	2,100
Net cash used in investing activities	(784,432)	(934,829)	(566,497)	(857,965)

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CASH FLOWS (CONTINUED)

(Unit : Thousand Baht)

	Consolidated F/S			
	30 September	31 December	31 December	31 December
	2016	2015	2014	2013
		(Restated)		
		(Audited)		
Cash Flows from Financing Activities				
Interest paid	(50,276)	(42,961)	(13,369)	(5,102)
Increase (decrease) in bank overdrafts and short-term loans from financial institution	(10,138)	8,515	(38,114)	(382)
Proceed from short - term loans from others	96,500	-	-	77,000
Repayment of short - term loans from others	(2,000)	(25,620)	-	(77,000)
Proceed from long - term loans from financial institutions	269,952	142,000	-	-
Repayment of long - term loans from financial institutions	(78,581)	(29,077)	(300,656)	(10,887)
Payment for liabilities under finance lease agreements	(646)	-	(1,117)	(833)
Dividend receive	36	-	-	-
Cash received from share capital increment	497,671	546,220	-	-
Dividend payment of subsidiary company to non-controlling interests	(5)	-	-	-
Proceeds from short-term loans from financial institutions	-	-	20,000	-
Proceeds from short-term loans from related parties	-	-	15,520	119,330
Repayments for short-term loans from related parties	-	-	(85,000)	(34,330)
Repayment for loans from debt restructuring agreement	-	-	-	(310,000)
Advance received for subscription	-	-	72,000	-
Proceeds from issue of increased share capital	-	-	1,119,428	1,367,194
Net cash provided from financing activities	722,513	599,077	788,692	1,124,990
Net increase (decrease) in cash and cash equivalents	89,745	(375,640)	102,376	212,463
Cash and cash equivalents at beginning of period	103,447	479,087	377,904	169,523
Cash and cash equivalents of subsidiary transferred to assets held for sale	-	-	-	268
Cash and cash equivalents of subsidiaries as at disposal date	-	-	(2,616)	(4,350)
Cash derived from acquisition of the subsidiary	-	-	1,422	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	193,192	103,447	479,086	377,904
Supplemental disclosures for cash flows information				
Non-cash transactions :				
- Transfer of advance payment to equipment	-	24,903	9,236	-
- Transfer of advance payment from warrants converted to common share	-	72,000	7,881	-
- Accounts payable for construction in progress	-	36,773	27,186	3,045
- Reducible par value of ordinary shares for offsetting deficit and discount on ordinary shares	-	-	11,125,659	-
Right in use of technology payable	-	-	16,000	-

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

RATIO ANALYSIS

	Q3 2016	2015	2014	2013
Liquidity ratio				
Current ratio (times)	1.41	2.30	1.90	1.15
Quick ratio (times)	0.43	0.44	0.73	0.27
Liquidity ratio (cash basis)	0.21	(0.10)	(0.28)	(0.09)
Account receivable turnover (times)	2.61	3.86	9.61	74.03
Average collection period (days)	140.00	94.51	38.00	4.93
Inventory turnover (times)	594.85	13.10	16.01	(2.80)
Average inventory turnover period (days)	0.61	27.86	(22.80)	(130.17)
Account payable turnover (times)	2.53	1.14	0.99	65.83
Average payment period (days)	144.27	320.18	367.79	5.54
Cash cycle (days)	3.79	(158.82)	372.99	(119.70)
Profitability ratio				
Gross profit margin (%)	13%	29.60%	36.78%	47.93%
Operating profit margin (%)	-209%	-19.14%	-3.48%	8.01%
Other income ratio (%)	10%	16.91%	0.05%	0.07%
Cash per profitability ratio (%)	-24%	-78.00%	778.15%	89.59%
Net profit margin (%)	-199%	-2.23%	3.43%	8.09%
Return on equity (%)	19%	-0.18%	0.55%	3.69%
Efficiency Ratio				
Return on assets (%)	-13%	-0.13%	0.41%	2.37%
Total asset turnover (times)	6%	6%	0.12	0.29
Financial ratio				
Debt to equity ratio	0.44	0.33	0.36	0.56
Interest coverage ratio	-15.08	-0.61	(0.01)	2.41
Dividend payout ratio	-	-	-	-

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED

RATIO ANALYSIS

	Q3 2016	2015	2014	2013
Liquidity ratio				
Current ratio (times)	2.42	11.60	14.02	6.40
Quick ratio (times)	0.74	9.79	11.06	4.16
Liquidity ratio (cash basis)	(0.06)	(0.41)	(0.50)	(0.03)
Account receivable turnover (times)	0.94	1.87	-	-
Average collection period (days)	389.63	194.82	-	-
Inventory turnover (times)	-	-	-	-
Average inventory turnover period (days)	-	-	-	-
Account payable turnover (times)	0.41	0.60	-	-
Average payment period (days)	879.76	907.30	67.21	35.40
Cash cycle (days)	-	-	147.49	950.47
Profitability ratio				
Gross profit margin (%)	15%	40%	13.68%	40.22%
Operating profit margin (%)	-7121%	108%	9.35%	184.76%
Other income ratio (%)	-	-	0.10%	1.01%
Cash per profitability ratio (%)	0.78%	-171%	-3.43%	-5.30%
Net profit margin (%)	-7121%	108%	4.40%	185.77%
Return on equity (%)	-67%	1%	0.83%	6.44%
Efficiency Ratio				
Return on assets (%)	-59%	1%	-	-
Total asset turnover (times)	0.82%	0.96%	8.14%	2.90%
Financial ratio				
Debt to equity ratio	0.14	0.08	0.08	0.20
Interest coverage ratio	721.80	(12,381.33)	637.91	40.08
Dividend payout ratio	-	-	-	-

THE INTERNATIONAL ENGINEERING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2016
(UNAUDITED BUT REVIEWED)

1. NATURE OF OPERATIONS

The International Engineering Public Company Limited ("the Company") was incorporated in Thailand. Its office is located at 408/37 Phaholyothin Place Building, 9th Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok.

The Group is principally engaged in trading engineering products, installing and implementing information technology systems, production and distribution of electricity from solar energy, waste and biomass, and waste disposal services.

2. GENERAL INFORMATION

There has been a delay in the submission of the consolidated and separate financial statements from the second quarter of 2016 due to allegations of fraud against former members of the Executive Committee and certain Directors of the Company and the resignation of the former auditor and the investigation of the former executive team and directors by the Securities and Exchange Commission (SET) and the Department of Special Investigation (DSI) which is still ongoing.

A new Board of Directors was appointed in August 2017 to prepare the up-to-date financial statements and appointed new auditor in September 2017 to review and audit the Company's financial statements.

The Group and Company have continuously incurred operating losses with the loss for the nine-month period ended 30 September 2016 of Baht 589.61 million and Baht 1,525.82 million in consolidated and separate financial statements, respectively. In order to remediate operating difficulties which have impacted the solvency of the Group, the Board of Directors have restructured the group and where necessary disposed of certain subsidiary as disclosed in Note 34 to enable the Group to continue as a going concern.

3. BASIS OF INTERIM FINANCIAL STATEMENTS PREPARATION

The condensed interim financial statements for the three-month and nine-month periods ended of 30 September 2016 are presented in Thai Baht. They have been prepared in accordance with Thai Accounting Standard No. 34 (Revised 2015) "Interim Financial Reporting" and do not include all information required in the annual financial statements in accordance with Thai Financial Reporting Standards. These therefore, should be read in conjunction with the consolidated financial statements for the year ended 31 December 2015.

The interim financial statements are prepared in Thai language. The translation of these financial statements into another language should conform to Thai language report.

Basis of consolidating financial statements

These interim consolidated financial statements included the financial statements of The International Engineering Public Company Limited and subsidiaries listed below, and have been prepared on the same basis as applied for the preparation of consolidated financial statements for the year ended 31 December 2015 except as disclosed in Note 14 to the interim financial statements.

Subsidiaries	Country of Incorporation	Percentage of shareholding		Nature of business
		30 Sep	31 Dec	
		2016	2015	
Direct subsidiaries				
IEC Green Energy Co., Ltd.	Thailand	100	100	Providing consulting services for research and development, distributing technology products for environmental management and development of all energy and alternative energy (active operations)
IEC Business Partners Co., Ltd.	Thailand	100	100	Investment in other businesses
NFS (2010) Co., Ltd.	Thailand	100	100	Sale of mobile phones (inactive operations)
IEC Mae Ramad Co., Ltd.	Thailand	100	100	Production and distribution of electricity from solar energy (discontinued operations)
E – Contech Management Pte. Ltd.	Singapore	100	100	Providing consulting service and engineering technology research (active operations)
IEC Sakaeo 1 Co., Ltd.	Thailand	100	75	Production and distribution of electricity from biomass (active operations)
Indirect subsidiaries				
Gidec Co., Ltd.	Thailand	50	50	Waste disposal and production and distribution of electricity from waste (active operations)
IEC Mae Tha Mae Taeng Co., Ltd.	Thailand	100	100	Production and distribution of electricity from solar energy (active operations)

These interim financial statements were approved by the Company's Board of Directors on 14 December 2018.

SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared using the same accounting policies as adopted in the preparation of the financial statements for the year ended 31 December 2015, except for the adoption of the revised Thai Financial Reporting Standards that were issued by the Federation of Accounting Professions which became effective in the preparation of the financial statements which begin on or after 1 January 2016. The adoption of these revised Thai Financial Reporting Standards has no material effect on the consolidated and separate financial statements.

4. ESTIMATES AND JUDGMENT

When preparing the interim financial statements, management undertake judgments, estimates and assumptions on recognition and measurement of assets, liabilities, revenues and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

The judgment, estimates and assumptions applied in the interim financial statements, including the key sources of estimation, are the same as those used in the preparation of financial statements for the year ended 31 December 2015.

5. RESTATEMENT OF FINANCIAL STATEMENTS

During the period, the following retroactive adjustments were made to the financial statements:

- An indirect subsidiary adjusted an over record of service income amounting to Baht 17.65 million for the nine-month period ended 30 September 2015.
- The consolidated financial statements for the year ended 31 December 2015 were restated to reflect the classification of IEC Mae Ramad Co., Ltd. as held for sale, since a decision had been made by the Board of Directors to sell the subsidiary and buyers were being actively sought as at 31 December 2015. The operating results have similarly been classified as Discontinued operations in the profit or loss statement for the three-month and nine-month periods ended 30 September 2015.

The consolidated statements of financial position as at 31 December 2015 and consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2015, presented as comparative information, have been restated. In addition, certain accounts in the consolidated statement of financial position and separate statement of financial position as at 31 December 2015 have been reclassified to conform to the current period's presentation.

The retroactive adjustments affected the accounts in the consolidated and separate financial statements of the Company as follows:

(Unit : Thousand Baht)			
Consolidated F/S			
	Formerly presented	Adjustments/ Reclassified	Reclassified/ Restated
<u>Statement of financial position as at 31 December 2015</u>			
<u>Assets</u>			
Cash and cash equivalents	80,914	22,533	103,447
Trade and other accounts receivable	357,845	(289,186)	68,659
Inventories	33,586	(21,110)	12,476
Available-for-sale investments	833	(833)	-
Other current assets	-	241,479	241,479
Assets held for sales and discontinued operations	-	483,225	483,225
Restricted deposits with banks	75,246	(22,613)	52,633
Other investments	400	833	1,233
Advance payment for purchase of investment	-	40,000	40,000
Investments in subsidiaries	40,000	(40,000)	-
Property, plant and equipment	3,158,918	(320,778)	2,838,140
Goodwill	348,353	(109,031)	239,322
Deferred cost of rights to use electricity transmission system	48,407	(4,134)	44,273
Intangible assets	85,498	1,905	87,403
Other non - current assets	45,663	59	45,722
<u>Liabilities</u>			
Trade and other accounts payable	241,973	(98,157)	143,816
Accrued expenses	-	26,245	26,245
Liabilities held for discontinued operations	-	2,342	2,342
Employee benefit obligations	15,954	(45)	15,909
Provision for long - term liabilities	8,326	69,615	77,941
<u>Shareholder's equity</u>			
Deficit as at 1 January 2016	(98,115)	(17,651)	(115,766)

(Unit : Thousand Baht)

Consolidated F/S

Formerly presented	Adjustments/ Reclassified	Reclassified/ Restated
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Statement of profit or loss and other comprehensiveincome for the three-month period ended30 September 2015

Revenue from electricity sales	174,835	(78,992)	95,843
Cost of sales	(84,358)	14,279	(70,079)
Other revenues	2,278	(145)	2,133
Reversal of allowance for impairment of assets	-	21,400	21,400
Selling expenses	(1,451)	118	(1,333)
Administrative expenses	(59,807)	7,600	(52,207)
Other expenses	(3,800)	3,800	-
Profit from discontinued operations	-	11,216	11,216
Loss for the period	(4,348)	(5,762)	(10,110)
Basic earnings per share	0.00001	0.00001	0.00002

Statement of profit or loss and other comprehensiveincome for the nine-month period ended30 September 2015

Revenue from electricity sales	309,853	(78,992)	230,861
Cost of sales	(177,789)	14,279	(163,510)
Other revenues	28,697	(183)	28,514
Reversal of allowance for impairment of assets	64,948	(23,548)	41,400
Selling expenses	(6,630)	658	(5,972)
Administrative expenses	(207,948)	9,230	(198,718)
Other expenses	(27,348)	27,348	-
Profit from discontinued operations	-	44,844	44,844
Profit (Loss) for the period	10,562	(16,466)	(5,904)
Basic earnings per share	0.00020	(0.00006)	0.00014

(Unit : Thousand Baht)			
Separate F/S			
	Formerly presented	Adjustments/ Reclassified	Reclassified/ Restated
<u>Statement of financial position as at 31 December 2015</u>			
<u>Assets</u>			
Cash and cash equivalents	57,658	23,040	80,698
Trade and other accounts receivable	211,487	(193,174)	18,313
Inventories	21,110	(21,110)	-
Short – term loans to subsidiary companies and accrued interest income	1,273,134	133,549	1,406,683
Available-for-sale investments	833	(833)	-
Other current assets	-	64,730	64,730
Assets held for sales and discontinued operations	-	214,000	214,000
Restricted deposits with banks	58,046	(23,119)	34,927
Other investments	400	833	1,233
Advance payment for purchase of investment	-	40,000	40,000
Investment in subsidiaries	1,128,052	(254,000)	874,052
Property, plant and equipment	646,102	16,005	662,107
Other non - current assets	8,624	79	8,703
<u>Liabilities</u>			
Trade and other accounts payable	92,797	(41,456)	51,341
Accrued expenses	-	6,331	6,331
Other current liabilities	-	35,125	35,125
<u>Statement of profit or loss and other comprehensive income for the three-month period ended 30 September 2015</u>			
Administrative expenses	(45,844)	50	(45,794)
Doubtful accounts from short - term loans and accrued interest income to subsidiary companies	-	(3,850)	(3,850)
Other expenses	(3,800)	3,800	-
<u>Statement of profit or loss and other comprehensive income for the nine-month period ended 30 September 2015</u>			
Administrative expenses	(129,298)	6,300	(122,998)
Doubtful accounts from short - term loans and accrued interest income to subsidiary companies	-	(10,100)	(10,100)
Other expenses	(3,800)	3,800	-

6. RELATED PARTY TRANSACTION

The Group have transactions with related parties that are related to it through common shareholding and/or directorship. The consolidated and separate financial statements reflect the effects of those transactions on the basis agreed upon between the Group and its related parties, which basis might be different from the basis used for transactions with unrelated parties.

Significant transactions with related parties for the three-month and nine-month periods ended 30 September 2016 and 2015 are as follows:

		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		For the three-month periods ended 30 September			
Transaction with related parties	Pricing policy	2016	2015	2016	2015
<u>Management fee income</u>					
Subsidiary companies	Contract price	-	-	3,276	-
Indirect subsidiary companies	Contract price	-	-	2,034	-
Total		-	-	5,310	-
<u>Interest income</u>					
Subsidiary companies	8.5% per annum	-	-	25,992	26,888
Other related company	8.5% per annum	107	-	107	-
Total		107	-	26,099	26,888
<u>Dividend income</u>					
Other related company	By the resolution of Shareholder	18	16	18	16
<u>Rental and other service expenses</u>					
Indirect subsidiary company	Contract price	-	-	7	7
<u>Key management personnel compensation</u>					
Short - term employee benefits		17,520	16,625	17,255	15,276
Post - employment benefits		688	1,012	651	966
Total		18,208	17,637	17,906	16,242

		(Unit : Thousand Baht)			
Transaction with related parties	Pricing policy	Consolidated F/S		Separate F/S	
		For the nine-month periods ended 30 September			
		2016	2015	2016	2015
<u>Management fee income</u>					
Subsidiary companies	Contract price	-	-	9,829	-
Indirect subsidiary companies	Contract price	-	-	6,102	-
Total		-	-	15,931	-
<u>Interest income</u>					
Subsidiary companies	8.5% per annum	-	-	80,155	81,627
Other related company	8.5% per annum	136	-	136	-
Total		136	-	80,291	81,627
<u>Dividend income</u>					
Subsidiary company	By the resolution of Shareholder	-	-	45,145	-
Other related company	By the resolution of Shareholder	36	34	36	34
Total		36	34	45,181	34
<u>Rental and other service expenses</u>					
Indirect subsidiary company	Contract price	-	-	30	7
<u>Key management personnel compensation</u>					
Short - term employee benefits		54,368	52,067	52,400	47,978
Post - employment benefits		2,065	3,037	3,115	2,898
Total		56,433	55,104	55,515	50,876

Significant balances with related parties as at 30 September 2016 and 31 December 2015 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	30 September 2016	31 December 2015
<u>Trade and other accounts receivable</u>		
Subsidiary companies	-	-
Indirect subsidiary companies	-	-
Other related company	450,000	450,000
Total	450,000	450,000
<u>Less</u> Allowance for doubtful accounts	(450,000)	(450,000)
Net	-	-
<u>Short – term loans and accrued interest receivable</u>		
Subsidiary companies	-	-
<u>Less</u> Allowance for doubtful accounts	-	-
Net	-	-
<u>Long – term loans receivable</u>		
Subsidiary company	-	-
Total loans and accrued interest receivable	-	-

During the period, the Company recognized an addition allowance for doubtful accounts against short - term loans to certain subsidiaries and accrued interest amounting Baht 1,344 million because management considered that such subsidiaries do not have ability to repay such outstanding amounts.

Significant movements in short - term loans to subsidiaries and accrued interest receivable for the nine-month period ended 30 September 2016 are as follows:

	(Unit : Thousand Baht)		
	1 January 2016	During the period Increase Decrease	30 September 2016
Subsidiary companies	1,620,077	245,481 (285,894)	1,579,664

Significant movements in long - term loans to subsidiary for the nine-month period ended 30 September 2016 are as follows:

	(Unit : Thousand Baht)		
	1 January 2016	During the period Increase Decrease	30 September 2016
Subsidiary company	-	69,850 -	69,850

Significant movements in allowance for doubtful accounts of short - term loans to subsidiaries and accrued interest for the nine-month period ended 30 September 2016 are as follows:

	(Unit : Thousand Baht)		
	1 January 2016	During the period Increase Decrease	30 September 2016
Subsidiary companies	213,394	1,343,917 -	1,557,311

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
<u>Trade and other accounts payable</u>				
Subsidiary companies	-	-	7	-
<u>Employee benefits obligation</u>				
<u>Executive directors</u>				
- Post - employment benefits	12,518	10,453	12,185	9,070

Significant agreements with related parties

On 1 January 2016, the Company entered into management agreements with eight direct and indirect subsidiary companies to provide various management services (engineering, accounting, financing, human resource, administration, controlling, audit, legal, information and others). The agreements were for a 12-month period starting 1 January 2016 to 31 December 2016 with annual fees between Baht 228,500 to Baht 5,432,300 per subsidiary.

On 29 July 2015, the Company entered into a land rental agreement with an indirect subsidiary, located at Tha Chang, Hat Yai, Songkhla, for the construction of an office building. The lease is for 3 years starting 29 July 2015 to 28 July 2018 with annual rental of Baht 40,000. Both parties have an option to renew their agreement upon expiration.

On 1 April 2016, a subsidiary entered into a front-end machinery rental agreement with an indirect subsidiary for 5 years with monthly rent of Baht 1.5 million.

7. TRADE AND OTHER ACCOUNTS RECEIVABLE

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Trade accounts receivable				
- general customers	71,958	30,715	17,355	7,451
Trade accounts receivable				
- related companies	-	-	-	10,276
Accrued income	44,930	24,758	-	-
Total	116,888	55,473	17,355	17,727
<u>Less</u> Allowance for doubtful accounts	(3,931)	(3,931)	(3,731)	(3,731)
Trade accounts receivable and accrued income - net	112,957	51,542	13,624	13,996
Other accounts receivable				
- general customers	103,236	56,995	80,093	43,981
Other accounts receivable				
- related companies	450,000	450,000	458,833	450,000
Total	553,236	506,995	538,926	493,981
<u>Less</u> Allowance for doubtful accounts	(552,432)	(489,878)	(529,678)	(489,664)
Other accounts receivable - net	804	17,117	9,248	4,317
Total trade and other accounts receivable - net	113,761	68,659	22,872	18,313

The aged of trade accounts receivable and accrued income as at 30 September 2016 and 31 December 2015 are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
<u>Trade accounts receivable and accrued income</u>				
Not yet due	106,264	46,620	8,768	13,996
Overdue :				
Less than 3 months	4,856	-	4,856	-
3 – 6 months	1,837	-	-	-
More than 12 months	3,931	8,853	3,731	3,731
Total	116,888	55,473	17,355	17,727
<u>Less</u> Allowance for doubtful accounts	(3,931)	(3,931)	(3,731)	(3,731)
Net	112,957	51,542	13,624	13,996

The aged balances of trade and other accounts receivable with related parties as at 30 September 2016 and 31 December 2015 are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
<u>Trade and other accounts receivable</u>				
Not yet due	-	-	1,171	10,276
Overdue :				
Less than 3 months	-	-	2,098	-
3 – 6 months	-	-	5,564	-
More than 12 months	450,000	450,000	450,000	450,000
Total	450,000	450,000	458,833	460,276
<u>Less</u> Allowance for doubtful accounts	(450,000)	(450,000)	(450,000)	(450,000)
Net	-	-	8,833	10,276

8. INVENTORIES

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	30 September 2016	31 December 2015
Raw materials	7,162	20,405
Finished goods	4,402	4,402
Work in process	1,706	1,977
Total	13,270	26,784
<u>Less</u> Allowance for devaluation of Inventories	(12,874)	(14,308)
Net	396	12,476

9. OTHER CURRENT ASSETS

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	30 September 2016	31 December 2015
Refundable value added tax	156,076	138,415
Withholding tax deducted at sources	16,427	20,532
Cost of installation work	16,984	5,105
Other advance payments	984	2,171
Advance payment for assets	342	-
Undue input vat	5,384	-
Prepaid expenses	6,245	4,303
Advance payments for development project	6,000	6,000
Accrued interest income	451	196
Advance payment for fuel materials	-	63,618
Others	2,719	7,387
Total	211,612	247,727
<u>Less</u> Allowance for doubtful accounts	(17,117)	(6,248)
Total other current assets	194,495	241,479

10. ASSETS HELD FOR SALES AND DISCONTINUED OPERATIONS

At a meeting on 19 December 2016, the Board of Directors of the Company passed a resolution to dispose of its investment in IEC Mae Ramad Co., Ltd. in order to general working capital and provide financial support to other investments.

The financial position and operating results of IEC Mae Ramad Co., Ltd. which have been classified as discontinued operations are as follows:

	(Unit: Thousand Baht)	
	Consolidated F/S	
	30 September 2016	31 December 2015
Asset		
Trade and other accounts receivable	10,090	35,162
Other current assets	6,960	-
Property, plant and equipment	325,363	334,878
Goodwill	109,031	109,031
Deferred right to use electricity transmission system	3,998	4,134
Other non - current assets	20	20
Total assets held for discontinued operations	455,462	483,225
Liabilities		
Bank overdrafts and short - term loans from financial institutions	3	-
Trade and other accounts payable	-	2,297
Accrued expenses	904	-
Other current liabilities	339	-
Long – term loans from financial institutions and accrued interest	243,000	-
Employee benefits obligation	68	45
Other non - current liabilities	319	-
Total liabilities held for discontinued operations	244,633	2,342

(Unit: Thousand Baht)

Consolidated F/S

For the three-month periods ended
30 September

	2016	2015
Operating results of discontinued operations		
Total revenue	14,948	17,067
Total costs	(4,760)	(4,579)
Total other revenues	-	155
Total expenses	(4,943)	(1,427)
Profit from discontinued operations	5,245	11,216

(Unit: Thousand Baht)

Consolidated F/S

For the nine-month periods ended
30 September

	2016	2015
Operating results of discontinued operations		
Total revenue	55,344	62,527
Total costs	(13,825)	(14,279)
Total other revenues	86	193
Total expenses	(11,194)	(3,597)
Profit from discontinued operations	30,411	44,844

11. RESTRICTED DEPOSITS WITH BANKS

As at 30 September 2016 and 31 December 2015, restricted deposits are as follow:

	Consolidated F/S		(Unit : Thousand Baht)	
	Separate F/S			
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
To guarantee loans from bank	18,961	16,106	-	-
To guarantee compliance with contract for television business	12,500	12,500	12,500	12,500
To guarantee contract for air ticket purchasing	-	100	-	100
To guarantee contract for system design	-	21,149	-	21,149
To guarantee electricity usage	1,600	1,600	-	-
To guarantee contract for network purchasing	1,178	1,178	1,178	1,178
Total	34,239	52,633	13,678	34,927

12. ADVANCE PAYMENT FOR PURCHASE OF INVESTMENT

As at 30 September 2016 and 31 December 2015, advance payment for purchase of investment are as follow:

	Consolidated F/S		(Unit : Thousand Baht)	
	Separate F/S			
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Advance payment	40,000	40,000	40,000	40,000
<u>Less</u> Allowance for impairment	(40,000)	-	(40,000)	-
Net	-	40,000	-	40,000

At a meeting on 23 March 2015, the Board of Directors approved to purchase 100% of 1,250,000 common shares of Tawon Energy (2013) Co., Ltd. ("TE") at a par value of Baht 100 for total amount of Baht 125 million to be payable by 2 instalments. The Company paid for the first instalment of Baht 40 million on 2 April 2015 which was recorded as advance payment for purchase of investment. However, the acquisition has not been completed under contract. The Company therefore took legal

proceedings to recover the advance payment. The first hearing of the court is scheduled in December 2018. During the period, the Company has set up a full provision against the advance.

13. INVESTMENTS IN SUBSIDIARIES

As at 30 September 2016 and 31 December 2015 investment in subsidiaries are as follow:

(Unit : Thousand Baht)

	Paid-up capital	Separate F/S					
		Percent of shareholding		Cost		Dividend income	
		30 Sep 2016	31 December 2015	30 Sep 2016	31 December 2015	30 Sep 2016	30 Sep 2015
IEC Green Energy Co., Ltd.	534,000	100	100	525,135	525,135	-	-
IEC Business Partners Co., Ltd.	560,600	100	100	560,600	560,600	-	-
NFS (2010) Co., Ltd.	16,000	100	100	16,000	16,000	-	-
E-Contech Management Pte. Ltd.	3,275	100	100	3,275	3,275	-	-
IEC Sakaeo 1 Co., Ltd.	400,000	100	75	445,000	345,000	-	-
Total				1,550,010	1,450,010	-	-
<u>Less</u> Allowance for impairment of investment				(577,013)	(575,958)		
Total investment in subsidiaries, net				972,997	874,052		
<i>Classified as investment available for sale</i>							
IEC Mae Ramad Co., Ltd.	105,000		100	214,000	214,000	-	-

(Unit : Thousand Baht)

	Separate F/S	
	30 September 2016	31 December 2015
Beginning balance	874,052	1,575,775
Acquisitions	100,000	88,235
Investment classified as investment held for sale	-	(214,000)
<u>Less</u> Allowance for devaluation of investments	(1,055)	(575,958)
Ending balance	972,997	874,052

During the period, the Company had changes in investments in subsidiaries as follows:

- **IEC Sakaeo 1 Co., Ltd.**

At a meeting on 30 May 2016, the Board of Directors passed a resolution to approve an increase in the Company's investment in IEC Sakaeo 1 Co., Ltd. by acquiring common shares from the existing shareholders, of 1,000,000 shares or 25% of registered share capital, for Baht 100 million to increase the shareholding to 100%. The Company entered into a purchase agreement on 10 June 2016 and paid for share capital on the agreement date. However, the former Executive Committee that approved the acquisition was accused by the Securities and Exchange Commission (SEC) for illegal execution of this transaction and legal action is being taken by the Department of Special Investigation (DSI). Currently, the Company had hired an independent appraiser to identify the fair value of such investment in subsidiary and has not made adjustment for possible loss from impairment (if any) in the financial statements. However, the Company recognized discount from change in proportion of subsidiary of Baht 46.93 million in shareholders' equity.

- **IEC Mae Ramad Co., Ltd**

At the meeting No. 17/2016 held on 19 December 2016, the Board of Directors passed a resolution to approve the disposition of this subsidiary after the end of the period (See Note 34).

Investment available for sale

- **Nong Ree Power Plant Co., Ltd.**

At the meeting held on 27 April 2016, the Board of Directors passed a resolution to approve the acquisition of common shares of Nong Ree Power Plant Co., Ltd. from existing shareholders totaling 500,000 shares or 100% of total shares of Baht 100 each, for Baht 50 million. The Company entered into share purchase agreement on 29 April 2016 and paid for Baht 50 million on agreement date. Nong Ree Power Plant Co., Ltd. entered into a sale of electricity agreement with Provincial Electricity Authority for 3 megawatts while the construction of a biogas power plant was still in process with the budget cost of construction of approximately Baht 286 million.

The Company had assessed the fair value of the assets and liabilities of Nong Ree Power Plant Co., Ltd. based on audited financial statements by a purchase method on 29 April 2016. The consideration transferred and the amount recognized at the acquisition date for assets and liabilities are as follow:

	Thousand Baht
Asset	
Cash and cash equivalents	4
Loans to related parties	46,257
Property, plant and equipment	2,700
Power sale agreements	1,000
Liabilities	
Other payables	(15)
Identifiable net assets	49,946
Goodwill	54
Consideration transferred	50,000
<u>Less</u> Cash and cash equivalents of acquired company	(4)
Net cash paid for acquisition of subsidiary	49,996

The Company assessed and recorded the value of power sale agreements based on the acquisition amount as it is still uncertain about Nong Ree Power Plant Co., Ltd. to finish the construction of power plant before producing electricity for sale. The current management does not appraise the fair value of such assets since it was of the opinion that the Company cannot obtain project financing to support the power plant construction and intend to disposal this investment to third party. The Company therefore, classified such investment as investment available-for-sale.

As at 30 September 2016, the Company has short – term loan to Nong Ree Power Plant Co., Ltd. of Baht 5 million, which the Company set up a full allowance for doubtful account during the period.

14. INVESTMENT PROPERTIES

During the nine-month period ended 30 September 2016, condensed movements in investment properties are as follow:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Net book value as at 1 January 2016	207,615	143,702
Acquisitions	848	-
Transfer in	25,906	25,906
Reversal of loss from impairment	13,268	13,268
<u>Less</u> Written – off	(23,100)	(23,100)
Depreciation for the period	(1,482)	(30)
Net book value as at 30 September 2016	223,055	159,746

10 Rais of land held for sale of an indirect subsidiary (Gidec Co., Ltd.) with a cost of Baht 28.29 million at the ended of year 2015, was re-appraised by S.L. Standard Appraisal Co., Ltd., an independent appraiser, by market approach, for a market value of Baht 44.55 million (based on the appraisal report dated 12 July 2016). On 23 June 2016, the subsidiary's Board of directors (Gidec Co., Ltd.) approved the transfer such piece of land to IEC Green Energy Co., Ltd., another subsidiary, in accordance with the Joint Venture Agreement dated 28 September 2012, without compensation. The transfer fee for this land is Baht 848,196. The IEC Green Energy Co., Ltd. has not determined future use of such land.

15. PROPERTY, PLANT AND EQUIPMENT

During the nine-month period ended 30 September 2016, condensed movements in property, plant and equipment are as follow:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Net book value as at 1 January 2016	2,838,140	662,107
Acquisitions	328,855	174,785
Transfer in	1,000	1,000
<u>Less</u> Disposals	(7,391)	-
Written – off	(227,728)	(218,163)
Transfer out	(25,906)	(25,906)
Depreciation for the period	(80,406)	(6,789)
Loss from impairment	(295,610)	(78,348)
Net book value as at 30 September 2016	2,530,954	508,686

As at 30 September 2016, land and buildings, with future construction thereon of two subsidiaries, and the related transfer of right of claims, have been mortgaged as collaterals for bank loans. Such collateral assets are summarized below:

	(Unit : Thousand Baht)
	Consolidated F/S
Land and land improvement	163
Plant	128
Solar power plant with production equipment	679
Biomass power plant with production equipment	523
Total	1,493

Property, plant and equipment under construction

The Group have details of project under construction as follows:

- *Project of Digital Mobile TV*

The Company has concession for a portable digital television project via a UHF frequency, Channel 58, with a total budgeted cost of Baht 250 million. Up to 30 September 2016, a total cost of Baht 154 million has already been spent, (recorded in construction in progress of Baht 82 million, advance payment for assets of Baht 31 million, intangible assets of Baht 35 million and other expense of Baht 6 million). At present, the Company is still waiting for MCOT Public Company Limited ("MCOT") to obtain permission for the importation of radio communication equipment from the Office of the National Broadcasting and Telecommunications Commission ("NBTC"). This causes the delay of the project and the non-compliance with the law for allocation of frequency of MCOT. Under the conservative approach, during the years 2012 and 2013, the Company set up an allowance for impairment of the related project costs for the full amount. At the meeting held on 12 November 2014, the Board of Directors passed a resolution to approve the Company to terminate the agreement and sue MCOT. On 7 September 2015, the Company notified the termination to MCOT and claim for MCOT to pay for damage within 30 days from the date of the notification. Subsequently, on 22 April 2016, the Company filed a suitcase against MCOT to the Civil Court (Black Case No. 1830/2559) claiming for compensation, with interest, totaling Baht 244.77 million. The Court has scheduled the hearing of the plaintiff's witness on 4 July 2016. Subsequently, on 3 February 2017, MCOT filed a petition to the Civil Court to dismiss the case and to transfer the case to the Central Administrative Court. The Company filed an objection to the Central Administrative Court on 21 June 2016. Currently, the Company is still waiting for the Court to set the date for the hearing.

- *Project of Waste Plastic Recycling at Rayong*

On 2 April 2015, the Board of Directors approved to construct the plant for thermoplastic producing from contamination plastic for exports with a project cost of Baht 663 million. Subsequently, on 11 March 2016, the Board of Directors approved to increase budget cost from Baht 663 million to Baht 751 million to cope up with the increase production line.

The Company has planned for investments under this project as follows:

1. Investment in land for 24 rais at Makhamkhu, Nikompattana, Rayong.

At the meeting on 25 May 2015, the Board of Directors approved to relocate the site for construction of Waste Plastic Recycling Project from Ampur Muang, Chachoengsao Province to Tambon Makhamkhu, Ampur Nikompattana, Rayong Province and approved to acquire land at Tambon Makhamkhu, Ampur Nikompattana, Rayong Province for Baht 24.75 million. On 28 May 2015, the Company entered into a land purchase agreement of 24 Rai 3 Ngan 1.6 Square Wah with a limited partnership and made the payment for land and registered the transfer of ownership on 28 May 2015. The Company started the construction of the plastics recycling plant on those land and incurred cost of construction in process of Baht 66 million. On 1 June 2016, the Company signed a memorandum to terminate the contract for the remaining construction work and set up allowance for impairment loss on construction in progress of Baht 40 million and land of Baht 25.9 million has classified as investment properties (Net of items expended).

2. Land and leasehold building under the lease agreement dated 12 July 2015 at Makhamkhu, Nikompattana, Rayong.

The Company has installed machinery to produce plastic on land and leasehold building under lease agreements with other company for 2 years which leases can be renewed from time to time. As at 30 September 2016, the machinery is under test run for planned production in December 2016. The Company plans to relocate the plant in the future (See Note 17).

- Waste Plastic Recycling Project at Southern Industrial Estate, Chalung, Hat Yai, Songkhla

The Company has constructed Waste Plastic Recycling plant at Southern Industrial Estate, Chalung, Hat Yai, Songkhla with the budget cost of Baht 157 million for which construction has not yet completed. The project has been approved by the Risk Management Committee, which has already assessed the risk of the project on 4 July 2015. As at 30 September 2016 and 31 December 2015, the Company had spent actual costs of Baht 74 million and Baht 72 million, respectively, for this project. The current Management had investigated the construction in progress and noted that the construction will not be operational, therefore, considered setting up allowance for cost of construction in progress in the part that cannot be used of Baht 20 million and machinery of Bath 50 million was classified as non-operating assets in the financial statements as at 30 September 2016. Currently, it is under the process for value appraisal by the independent appraiser.

- Ethanol Producing plant at Rayong

A subsidiary company (IEC Business Partners Co., Ltd.) had property, plant and equipment as at 30 September 2016 with a total cost of Baht 469 million (land of Baht 20 million, construction in progress of Baht 449 million) with full allowance for impairment recorded during the years 2008 - 2010. Such assets had been under dispute under the purchase from IGA. However, the Supreme Court has issued a verdict in October 2018 in favour of the Company that the Company purchase of such assets was undertaken legally. So far, the Company has not reverse the allowance for impairment for such assets since the realization of such assets could not presently be determined.

- Prototype of Very Small Power Plant (VSPP) for Municipal Solid Waste (MSW) Using Applied Technology Project at Hat Yai

A subsidiary company (IEC Green Energy Co., Ltd.) had constructed and installed waste sorting machine on the rented land under the agreement dated 1 December 2010 with the budget cost of Baht 125 million. The project has been approved by Risk Management Committee on 29 August 2015. As at 30 September 2016 and 31 December 2015, the subsidiary company has incurred cost of construction of Baht 122 million and Baht 142 million, respectively. The current Management had considered that the production from the use of production facility is not economical and therefore, decided to recognize the impairment loss for the cost of construction in the consolidated financial statements.

- Front-end system machine rental for converting material into fuel

A subsidiary (IEC Green Energy Co., Ltd.) has installed Front-end System for converting raw materials into fuel for installation at the Sakaeo 1 Power Plant with budget cost of Baht 74 million which project had not been completed. The project was approved by the Risk Management Committee on 6 March 2016. As at 30 September 2016, the Company has incurred costs for this project of Baht 26 million. The current management found that such machinery is not complete and is not usable and therefore, decided to recognize the impairment loss for the whole amount of construction costs in the consolidated financial statements.

16. NON – OPERATING ASSETS

As at 30 September 2016, the Company has machinery and equipment of Baht 342.67 million acquired for plastic beads producing project which plant was under construction at Rayong. Currently, these machinery and equipment have not been installed in the production line because the plant is on a leased land with limited space. The current management plans to relocate the plant to other site in the future. The Company is currently in the process for value appraisal by the independent appraiser to re-appraise the fair values of machinery and equipment. The Company has not recorded any loss from impairment (if any) for these machinery and equipment in the financial statements.

17. GOODWILL

Goodwill in the consolidated financial statements arose from business combination in the past, which has no movement during the period. The Company has not yet determined to adjust the value of goodwill as the appraisal values of investments in subsidiaries by the independence appraiser has not been completed yet.

18. DEFERRED COST OF RIGHTS TO USE ELECTRICITY TRANSMISSION SYSTEM

During the nine-month period ended 30 September 2016, condensed movements in deferred costs of electricity transmission system are as follow:

	(Unit : Thousand Baht)
	Consolidated F/S
Net book value as at 1 January 2016	44,273
<u>Less</u> Amortization for the period	(1,391)
Net book value as at 30 September 2016	42,882

19. INTANGIBLE ASSETS

During the nine-month period ended 30 September 2016, condensed movements in intangible assets are as follow:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Net book value as at 1 January 2016		
Right of use of Ash Melting Gasification technology	76,616	-
Computer programs	10,787	7,915
Purchase	5,262	4,565
<u>Less</u> Amortization for the period	(3,903)	(678)
Loss from impairment for the period	(6,910)	(6,910)
Net book value as at 30 September 2016	81,852	4,892

During the period, the Company started using new accounting system. The Company therefore, recorded impairment loss for the old accounting system.

20. OTHER NON - CURRENT ASSETS

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	30 September 2016	31 December 2015
Deposit for purchase of computer software	60,500	60,500
Deposit for construction and service management of waste disposal system in Hat Yai City Municipality	32,500	32,500
Other deposits	13,586	9,926
Deposit for purchase of waste segregation from organic fertilizer	5,000	5,000
Refundable import duty tax	4,813	-
Retention for land rental under lease agreement from Hat Yai City Municipality	1,526	-
Other	79	79
Total	118,004	108,005
<u>Less</u> Allowance for impairment of assets	(62,283)	(62,283)
Net	55,721	45,722

21. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
	30 September 2016	31 December 2015
Bank overdrafts	9,552	19,693
Promissory notes	20,000	20,000
Total	29,552	39,693

The Company and subsidiaries have bank overdraft facilities with a local bank with interest rate of MOR and MOR + 0.75 per annum. Subsidiary company has issued promissory notes to a local bank with interest rate of 15 per annum for three months. These are collateralized by the mortgages of land and electric power plant of the subsidiary company (See Note 16).

22. TRADE AND OTHER ACCOUNTS PAYABLE

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Trade accounts payable	39,114	12,143	9,105	5,719
Other accounts payable	63,044	131,673	34,724	45,622
Total	102,158	143,816	43,829	51,341

23. SHORT – TERM LOANS FROM OTHERS

As at 30 September 2016, the Company has short - term loans from others of Baht of 95 million which are covered by promissory notes repayable in December 2016. These bear interest rate of 4.88% per annum. In addition, a subsidiary company has short - term loans from others of Baht 1.5 million which are repayable in December 2016.

24. LONG - TERM LOANS FROM FINANCIAL INSTITUTIONS AND ACCRUED INTEREST

	(Unit : Thousand Baht)	
	Consolidated F/S	
	30 September 2016	31 December 2015
Long - term loans	662,835	714,464
<u>Less</u> Current portion	(85,062)	(98,400)
Total	577,773	616,064

Significant movements in long - term loans from financial institutions and accrued interest for the nine-month period ended 30 September 2016 are as follow:

	(Unit : Thousand Baht)	
	Consolidated F/S	
	30 September 2016	
Balance as at 1 January 2016	714,464	
<u>Add</u> Additional borrowing	4,952	
<u>Less</u> Repayment	(56,581)	
Balance as at 30 September 2016	662,835	

During January – February 2016, IEC Sakaeo 1 Co., Ltd. (subsidiary) defaulted the repayment of loan principal and interest to a commercial bank of Baht 14.59 million. The subsidiary was able to restructure the debt with the bank on 29 March 2016 to change the repayment conditions for defaulted loan, the first repayment was due in June 2016.

The credit facilities of the subsidiary companies contain debt covenants such as the maintenance of financial ratios including debt service coverage ratio and debt – to – equity ratio.

As at 30 September 2016, the Company has commitment from guarantee of loan from a local bank of two subsidiary companies (IEC Mae Tha Mae Taeng Co., Ltd. and IEC Mae Ramad Co., Ltd.) totaling Baht 412 million.

25. RESERVE FOR LONG - TERM LIABILITIES

	(Unit : Thousand Baht)	
	Consolidated and Separate F/S	
	30 September 2016	31 December 2015
Non - current:		
Reserve for liabilities under lawsuit of subsidiary	77,941	77,941

Reserve represents an estimate for the liabilities of a subsidiary company (IEC Business Partners Co., Ltd.).

26. DEPOSIT RECEIVED FROM BUYER OF SUBSIDIARY

On 11 September 2015, the Board of Directors passed a resolution to allow another company to perform a due diligence review of a subsidiary company (IEC Mae Ramad Co., Ltd.) with the objective of selling the investment in such subsidiary. On 18 September 2015, the Company received a deposit of Baht 50 million which would be considered as part of the share purchase payment if the purchased was finalized within 90 days from the date of the memorandum. On 28 December 2015, the Company extended the period of the due diligence review to 16 May 2016. However, the acquisition was not successfully executed. The Company refunded the deposit to such company of Baht 40 million in December 2016.

27. SHARE CAPITAL

Movements in registered share capital and issued and fully paid-up share capital for the nine months period ended 30 September 2016 are as follow:

		Consolidated and Separate F/S			
		(Thousand share / Thousand Baht)			
	(Unit : Baht)	30 September 2016		31 December 2015	
	Price based Stock value	Number of shares	Amount	Number of shares	Amount
<u>Registered share capital</u>					
At the beginning of period					
- Common share	0.01	204,824,585	2,048,246	123,618,439	1,236,184
At the end of period					
Decrease share capital	0.01	(1,429,164)	(14,292)	-	-
Increase share capital	0.01	40,679,084	406,791	81,206,146	812,062
Total common share	0.01	244,074,505	2,440,745	204,824,585	2,048,246
<u>Issued and fully paid-up share capital</u>					
At the beginning of period					
- Common share	0.01	180,795,930	1,807,959	164,824,585	1,648,246
At the end of period					
Increase share capital	0.01	22,618,786	226,188	15,971,345	159,713
Total common share	0.01	203,414,716	2,034,147	180,795,930	1,807,959

In January 2015, two specific investors requested to reduce their share subscription from 32,000,000,000 shares to 7,971,345,000 shares and agreed to let the Company forfeiting the deposit in excess of the amount to be paid for the number of shares purchased. Subsequently, the Board of Directors approved the forfeiting of the deposit of Baht 43 million and recorded such amount in profit or loss.

In February 2016, the Company received cash from allocation and increase in share capital of 22,599,491,250 shares from the existing shareholders at the price of Baht 0.022 per share, totaling of Baht 497,188,808 and registered the share capital increment with Ministry of Commerce on 15 February 2016. This made the issued and fully paid-up share capital to be Baht 225,994,913 with shares premium of Baht 271,193,895.

The Annual General Meeting of Shareholders for the year 2016 on 25 April 2016 passed a resolution as follows:

- To decrease the registered share capital from Baht 2,048,245,580 to Baht 2,033,954,212.50 divided into 203,395,421,250 shares at the par value of Baht 0.01 by cancelling common share which were not issue of 1,429,163,750 shares.
- To increase the registered share capital by Baht 406,790,842.50 by issuing new common shares by 40,679,084,250 shares at the par value of Baht 0.01 to reserve for the converting of warrant (IEC-W2) exercising.

On 14 June 2016, the Company registered the issuance of new 40,670,703,826 warrants (IEC-W2) for converting to common shares of the Company, for the existing shareholders at the book closing of Share Register on 10 May 2016. The converting of warrant is at the ratio of 5 common shares to 1 warrant which will be valid for 3 years from 23 May 2016.

During the nine-month period ended 30 September 2016, movement in number of warrants are as follow

	Number of warrants (Units)
Balance as at 14 June 2016	40,670,703,826
<u>Less</u> Exercise of warrants	(19,295,541)
Balance as at 30 September 2016	40,651,408,285

28. SEGMENT REPORTING

The Company and subsidiaries' business operations are classified into 3 principal segments: (1) Telecommunication and installation and development of information technology (2) Generating and Distributing of Electricity from renewable energy (3) Producing and sale of plastic beads. These businesses are operated in Thailand and are measured based on the segment revenues and gross margin. The following are the revenues and gross profit (loss) of the Company and subsidiaries in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2016 and 2015 as follows:

(Unit : Thousand Baht)

	Consolidated F/S							
	For the three-month periods ended 30 September							
	Telecommunication and installation and development of IT system		Generating and Distributing of Electricity from renewable energy		Producing and sale of plastic beads		Elimination	
	2016	2015	2016	2015	2016	2015	2016	2015
Revenues from sales and services :								
Revenue from external customers - net	18,389	11,578	91,050	95,842	-	-	105,234	107,420
Segment operating gross profit (loss)	7,049	3,965	(4,575)	25,296	-	467	(1,536)	29,728
Other revenues							2,794	2,133
Reversal of impairment of investment properties							-	21,400
Loss from impairment of assets							(15,360)	-
Depreciation and amortization							(34,019)	(31,009)
Finance costs							(11,950)	(11,325)

(Unit : Thousand Baht)

	Consolidated F/S					
	For the nine-month periods ended 30 September					
	Telecommunication and installation and development of IT system		Generating and Distributing of Electricity from renewable energy		Producing and sale of plastic beads	
	2016	2015	2016	2015	2016	2015
Revenues from sales and services :						
Revenue from external customers - net	30,093	34,309	274,909	230,861	-	-
Segment operating gross profit (loss)	6,715	11,130	39,350	66,502	(7,690)	849
Other revenue					43,430	28,514
Reversal of impairment of investment properties					13,268	41,400
Loss from impairment of assets					(302,520)	-
Depreciation and amortization					(100,084)	(91,101)
Finance costs					(38,600)	(31,996)
Property, plant and equipment					2,530,954	3,273,668
Other assets					2,039,375	1,287,819
Total assets					4,570,329	4,561,487
Total Liabilities					1,400,255	1,119,419

29. OTHER REVENUES

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2016	2015	2016	2015
Consulting income	-	-	5,310	-
Gain on disposal of equipment	587	-	-	-
Interest income	443	368	26,406	27,311
Gain (loss) on exchange rate	495	-	495	(176)
Rental income and utilities	1,083	-	1,084	932
Dividend income	18	16	18	16
Other revenues	168	1,749	13	184
Total	2,794	2,133	33,326	28,267

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	For the nine-month periods ended 30 September			
	2016	2015	2016	2015
Consulting income	20,000	-	15,931	-
Gain on disposal of equipment	14,435	3,797	11,238	3,797
Interest income	2,168	5,107	82,245	86,519
Gain on exchange rate	871	-	632	-
Rental income and utilities	3,484	-	3,484	4,208
Dividend income	36	34	45,181	34
Other revenues	2,436	19,576	1,809	624
Total	43,430	28,514	160,520	95,182

30. EARNINGS PER SHARE

Basic earnings (loss) per share for the three-month and nine-month periods ended 30 September 2016 and 2015 are calculated by dividing the profit (loss) attributable to shareholders of the Company by the weighted average number of common shares outstanding during the period:

	(Unit : Million Baht / Million shares)			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2016	2015	2016	2015
Profit (loss) for the period attributable to shareholders of the Company (basic)	(104)	4	(83)	5
Number of common shares issued on 1 January	180,796	164,825	180,796	164,825
Impact of shares issued	22,599	15,971	22,599	15,971
Weighted average number of common shares (basic)	203,395	180,796	203,395	180,796
Earnings (loss) per share (Basic) (Baht)	(0.00051)	0.00002	(0.00041)	0.00003

	(Unit : Million Baht / Million shares)			
	Consolidated F/S		Separate F/S	
	For the nine-month periods ended 30 September			
	2016	2015	2016	2015
Profit (loss) for the period attributable to shareholders of the Company (basic)	(534)	25	(1,526)	37
Number of common shares issued on 1 January	180,796	164,825	180,796	164,825
Impact of shares issued	18,888	14,801	18,888	14,801
Weighted average number of common shares (basic)	199,684	179,031	199,684	179,626
Earnings (loss) per share (Basic) (Baht)	(0.00267)	0.00014	(0.00764)	0.00021

31. COMMITMENTS

31.1 The Group companies have commitments as at 30 September 2016 are as follows:

	(Unit : Million Baht)
	Consolidated and Separate F/S
	30 September 2016
Long - term lease and service commitments	
Within one year	22
Over 1 year not more than 5 years	13
More than 5 years	20
Total	55

As at 30 September 2016, the group companies have commitments as follows:

- Indirect subsidiary (Gidec Co., Ltd.) has constructed a waste treatment plant and the power plant from the waste on land under lease agreement with the government of Songkhla province. The total budget cost of Baht 979 million (including technology license) has been incurred up to 30 September 2016 of Baht 937 million (including technology license of Baht 80 million). This construction contract contains certain penalty clause for the construction delays where the subsidiary incurred penalty charge for the delay construction totaling Baht 32.19 million. As at 30 September 2016, the remaining balance of Baht 23.18 million is shown under "allowance for penalty on delay construction" on consolidated statement of financial position
- On 8 April 2015, the Company (the "Buyer") entered into an agreement to purchase the waste from the segregation of organic fertilizer with another company ("Seller") to be used as a raw material in the production of recycled plastic. The purchasing price is fixed at Baht 225 per metric ton for 10 years from the contract date.

31.2 The Company has commitment under letter of guarantee issued by a bank of Baht 14.8 million to guarantee contract for maintenance and repair customer data base, contract for system design and electricity usage.

32. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There has been no significant change in the litigations from the year ended 31 December 2015, except for the litigation against the Company and subsidiaries for compensation totaling approximately Baht 361.80 million. In most of such cases the Company and subsidiaries are accused for breaches of hire of work contracts, purchase and sales contracts and labor cases. The cases are still being considered by the Court. The Company and subsidiaries' management and the Company and subsidiaries' legal advisors believe that the outcome of these cases will be favorable to the Company and subsidiaries and therefore had not set up provision for liabilities in the accounts.

33. SUBSEQUENT EVENT

33.1 On 19 December 2016, the Board of Directors passed a resolution to approve of the disposition of a 99.99% owned subsidiary (IEC Mae Ramad Co., Ltd.) at the price of Baht 289.08 per share, totaling Baht 303.31 million. On 26 December 2016, the Company received Baht 291.53 million for such sale. The Company will receive the remaining amount when the buyer can collect electric sale revenue of November and December 2016 from the Provincial Electricity Authority.

33.2 On 18 September 2017, the Board of Directors passed a resolution to approve the Company borrowing loan from related party of Baht 20 million with interest rate of 5% per annum and term of repayment for one year. The Company can extend to repay such loan with interest by another one year if the Company cannot repay loan with interest to lender. This is collateralized by the mortgage of land of Baht 156 million. The Company received money from this loan on 27 September 2017.

33.3 On 20 October 2017, the Extraordinary Shareholders Meeting passed a resolution as follows:

- To approve the decrease of the registered capital from Baht 2,440,745,055 to Baht 2,440,661,250 by reducing common shares which had not yet been subscribed for 8,380,424 shares at the par value of Baht 0.01 because the IEC-Warrant 2 had not been exercised for conversion to common shares since 25 April 2016.
- To approved the increase of share capital of Baht 2,035,915,023.50 from Baht 2,440,661,250.76 to Baht 4,476,576,274.26 by issuing new 203,591,502,350 common shares at the par value of Baht 0.01 to existing shareholders during 23 - 29 November 2017 but could not register such increased share capital because some of shareholders objected the validity of the annual general meeting of shareholders No. 1/2017 on 20 October 2017. The Company then received a notice from Department of Business Development refusing the registration of the minute of such meeting.

However, on 3 August 2018, the Company obtained the letter from Department of Business Development to rescind the order to deny the registration. The Company therefore registered its capital increase with the Department of Business Development on 22 October 2018.

33.4 On 26 February 2018, the Board of Directors passed resolution as follows:

- To approve IEC Green Energy Co., Ltd. to acquire 2,000,000 shares, another 50 % share capital of GIDEC Co., Ltd. ("GIDEC"), a subsidiary of IEC Green Energy Co., Ltd. from Electricity Generating Public Company Limited ("EGCO"), a joint venture partner of IEC Green Energy Co., Ltd. for Baht 24,583,971.18 or of Baht 12.29 per share by monthly installment repayments for 9 months. The payments shall be completed within the year 2018.
- To approve the Company to sell 500,000 common shares or 100% of share capital of Nong Ree Power Plant Co., Ltd. ("NR") to STRR Engineering Co., Ltd. ("STRR") at the selling price of Baht 100 per share totaling of Baht 50,000,000.
- During the year 2017, the Company granted new loan to NR for Baht 60 million and other receivable of Baht 6.94 million which the board of director pass a resolution to approve the Company to sell the right of claim the repayment for loan and interest which the Company had granted to NR for Baht 20,000,000 to STRR. Under the sale agreement, STRR Co., Ltd. will pay for the purchase price for the right of claim within three years when NR can produce 3 megawatts of electricity and sell electricity (COD) to the Provincial Electricity Authority (PEA), by 36 months of Baht 555,555.55 per month. The first installment will be paid within the end of the month that NR can produce 3 megawatts of electricity and COD but not later than January 2019 whichever comes first. The transfer of the right of claim will be completed when STRR receives the full payments of Baht 20,000,000.

33.5 On 8 March 2018, the Board of Directors approved to liquidate NFS (2010) Co., Ltd. as it does not have any operations.

33.6 Capital increase of subsidiaries

IEC Green Energy Co., Ltd.

- On 10 April 2018, The Extraordinary General Meeting of Shareholders No. 1/2561 to approved the increase of the Company's registered capital. The issuance of 600,000 new ordinary shares with a par value of Baht 10 per share totaling Baht 6,000,000. The Company registered the capital increase with the Department of Business Development on 11 April 2018.
- On 12 November 2018, The Extraordinary General Meeting of Shareholders No. 3/2561 to approved the increase of the Company's registered capital. The issuance of 50,000,000 new ordinary shares with a par value of Baht 10 per share totaling Baht 500,000,000. The Company registered the capital increase with the Department of Business Development on 14 November 2018.

Gidec Co., Ltd.

- On 12 November 2018, The Extraordinary General Meeting of Shareholders No.4/2561 to approve the increase of the Company's registered capital. The issuance of 5,000,000 new ordinary shares with a par value of Baht 100 per share totaling Baht 500,000,000. The Company registered the capital increase with the Department of Business Development on 15 November 2018.

IEC Business Partners Co., Ltd.

- On 21 November 2018, The Extraordinary General Meeting of Shareholders No. 2/2561 to approved the increase of the Company's registered capital. The issuance of 20,000,000 new ordinary shares with a par value of Baht 10 per share totaling Baht 200,000,000. The Company registered the capital increase with the Department of Business Development on 22 November 2018.

Company General Information

History

- 1992 IEC was established with the objective to construct the Bangkok-Aranyaprathet Railway, for the first time ever connecting Thailand to the Cambodian border.
- 1953 IEC later registered as a Thai national company with a registered capital of THB 10 million.
- 1965 IEC was appointed as a “Royal Appointment” company, and received royal assent to be given the “Garuda Emblem”.
- 1983 Siam Cement PCL foresaw the potential company growth for IEC, invested and took full control of IEC operations; IEC accordingly became an affiliate of the Siam Cement Group.
- 1990 Siam Cement Group changed its investment policy, prompting IEC’s management to invest in itself. Joined by a group of additional investors, IEC management increased the registered capital to THB 120 million.
- 1992 the company was listed in the Communication Sector of the Stock Exchange of Thailand.
- 1993 Becoming a public limited company.
- 2013 The company has changed its business from telecommunications to renewable energy.
- 2016 The Stock Exchange of Thailand approved to make a change on the company’s business section, from Business of Information and Communication Technology section to Business of Energy & Utilities section in the industry resource category. Effective from 4 July 2016 onwards.
- Currently, the group consists of four business groups including (1) Energy Business: Solar Power Plant, Waste to Energy Power Plant, Biomass Power Plant and Biogas Power Plant (2) Recycled Plastic Pellets from Waste Plastic (3) Information and Communication Technology (ICT) and (4) Engineering Consulting.

General Information

Company Profile

Company Name:	The International Engineering Public Company Limited
Initial:	IEC
Company Registration:	0107536000323 (Formerly Bor Mor Jor No. 106)
Nature of Business:	The Company provides information technology solutions and unified communications, including business operation of solar power plants, MSW power plant, Biomass Energy and Recycled Plastic Pellets from Waste Plastic.
Registered Capital :	4,476,576,274.26 Baht (as of 31 December 2018)
Paid Up Capital :	2,493,357,781.22 Baht (as of 31 December 2018)
All Sold Ordinary Shares :	249,335,778,122 units
Headquarter :	408/37 Phaholyothin Place 9th Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok Tel: 0 2619 0199 Fax: 0 2619 0019 Website: http://www.iec.co.th

Other References

The Securities Registrar	Thailand Securities Depository Company Limited 93, The Stock Exchange of Thailand Building, Ratchadaphisek Road, Din Daeng District, Bangkok 10400 Tel. (0) 2009 9999 Fax.(0) 2009 9991
Auditor's Information	Mr. Somkid Taitragul, Certified Public Accountant, Registration No. 2785 Miss. Kanyanat Sriratchatchaval, Certified Public Accountant, Registration No. 6549 Mr. Teerasak Chuasrisakul, Certified Public Accountant, Registration No. 6624 Ms. Sansanee Poolsawat, Certified Public Accountant, Registration No. 6977 Mr. Narin Churamongkol, Certified Public Accountant, Registration No. 8593 Grant Thornton Co., Ltd. 11 st Floor Capital Tower, All Seasons Place 87/1, Wireless Road, Bangkok 10400 Tel. (0) 2205 8222 Fax. (0)2654 3339
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Business Valuer	UK Valuations And Agency Co.,Ltd. 216/26, 9 th Floor, L.P.N. Tower, Nang Linchee Road, Chongnonsee Sub-district, Yannawa District, Bangkok 10120 Tel. (0)2285 4508 Fax.(0)2285 2408

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For more information the investor shall study the Company's additional asset issuance details from the annual report form (Form 56-1) which displays on

www.sec.or.th and <http://www.iec.co.th>



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