



PO# 093 / 2016

7 December 2016

Subject : Subsidiary's (IEC SK1) Dismissal from Default Condition and Debt Restructuring update
(amended)

To : President
The Stock Exchange of Thailand

Ref. : SET notification dated 15 September 2016 : Revoking of Bankruptcy Order Imposed on
Company's Subsidiary and Dismissing of the Bankruptcy Case

As IEC Sakaew 1 Co.,Ltd (IEC SK1), which is 100% subsidiary of The International Engineering Pcl. ("the Company" or "IEC"), received absolute receivership order from Central Bankruptcy Court since 11 May 2016. This Court order has triggered the Event of Default condition in Loan Agreement Clause 7.5 between Kasikorn Bank (KBANK) and IEC SK 1. KBANK as a main lender may cancel the loan granted and recall for all debt outstanding.

Until 15 September 2016, Central Bankruptcy Court permitted the Plaintiff to withdraw the case against the Defendant and dismissed the case from the court. This put IEC SK1 to be out of such Event of Default condition according to the Loan Agreement. IEC SK1 has sent letter to KBANK to report the process of Central Bankruptcy Court , ease loan repayment, and negotiate for new loan. The reason was IEC SK1 has insufficient liquidity since such absolute receivership order from Court in that it was barred from cash receipt as electricity income from PPA (Provincial Electricity Authority) while it has to repay material payables.

In late November 2016, KBANK informed IEC SK1 about new loan approval, carrying the important aspects as follows :

Credit line	Baht 29 million Loan
Purpose	To pay for fuel material payable and working capital
Interest	below Minimum Lending Rate (MLR)
Other condition	1) Extending Debt Service Reserve Account (DSRA) 3 months longer (April 2017 – September 2017) 2) Life insurance for IEC SK1 key-man
Collaterals	1) Second sequence mortgage in Land title deed # 1430, 1431 at Tumbon Salalumduan , Muang District, Sakaew Province own by IEC SK 1. 2) IEC as a guarantor

Please be informed accordingly.

Yours sincerely,

(Dr. Bhusana Premanote)
Group President