



PO. No. 010/2016

11<sup>th</sup> March 2016

President

The Stock Exchange of Thailand

Re: Notification of the scheduled date for 2016 annual ordinary general meeting; omission of dividend; election of additional directors; issuance of new shares; offering of private placement; and, issuance of warrants to purchase ordinary shares # 2 (IEC-W2)

Enc: 1. Capital Increase Report Form  
2. Details of issuance of warrants to purchase ordinary shares # 2 (IEC-W2) to existing shareholders

We, The International Engineering Public Company Limited (the Company), would like to inform you of the resolutions passed by the 2/2016 Board of Directors Meeting on Friday 11<sup>th</sup> March 2016 as follows:

1) The Board agreed on the omission of dividend for the operating year of 2015, of which to be proposed to the 2016 Annual Ordinary General Meeting (AGM) for further approval.

2) The Board agreed on the election of 2 additional directors, adding to the existing 9 directors, making 11 directors now. The newly elected directors include: (1) Ms. Bussakorn Jaruwachirathanakul, PhD; and, (2) Professor Narumon Saardchom, PhD, both of whom will be proposed to the 2016 AGM for further approval.

3) The Board agreed on the decrease of the Company's registered capital from THB 2,048,245,850 to THB 2,033,954,212.50, divided into 203,395,421,250 shares with par value of THB 0.01 each, by eliminating 1,429,163,750 unissued ordinary shares, which will be proposed to the 2016 AGM for further approval.

4) The Board agreed on the amendment of the Company's Memorandum of Association, Clause 4 (Registered Capital) to be in compliance with the capital decreased by eliminating the unissued ordinary shares, as follows:

“Clause 4	Registered capital	THB 2,033,954,212.50
	Divided into	203,395,421,250 shares
	Par value per share	THB 0.01
	Consisting of	
	Ordinary Shares	203,395,421,250 shares
	Preferred Shares	-none-

And this amendment will be proposed to the 2016 AGM for further approval.



5) The Board agreed on the increase of the Company's registered capital by THB 736,390,842.50, adding to the current registered capital of THB 2,033,954,212.50, to be THB 2,770,345,055, by issuing 73,639,084,250 new ordinary shares with par value of THB 0.01 each.

6) The Board agreed on the amendment of the Company's Memorandum of Association, Clause 4 (Registered Capital) to be in compliance with the increased capital, as follows:

“Clause 4	Registered capital	THB 2,770,345,055
	Divided into	277,034,505,500 shares
	Par value per share	THB 0.01
	Consisting of	
	Ordinary shares	277,034,505,500 shares
	Preferred shares	-none-”

And this amendment will be proposed to the 2016 AGM for further approval.

7) The Board agreed on the issuance and allotment of new ordinary shares for capital increase of 32,960,000,000 shares, with par value of THB 0.01 (one satang) each, to 16 private placement subscribers, with the selling price of THB 0.021 (zero point zero two one baht) per share, **to be offered through private placement (PP) with the resolution to determine the specific selling price that is lower than the market price.** This shall be conducted in accordance with the Notification of the Capital Market Supervisory Board No. Tor Jor. 72/2558, Re: Permitting a Company to Offer New Shares in a Private Placement, dated 28<sup>th</sup> October 2015, as well as the Notification of The Stock Exchange of Thailand, Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015), dated 29<sup>th</sup> April 2015, and will be proposed to the 2016 AGM for further approval. In this respect, this must receive the approval of not less than three fourths of the total votes of shareholders in presence with right of vote, with the disapproval of such offering of not exceeding 10 percent of the total votes of shareholders in presence and entitled to vote, as well as the permission of the SEC accordingly in advance. Regarding this, the Company is allowed to complete the share selling within the period approved by AGM, which shall not exceed three months, from the date of the approval by AGM to issue such new shares.

The list of private placement (PP) subscribers is shown below:

No.	PP Subscribers	Nationality	Number of Shares	Par Value per Share (THB)	Total Value of Shares (THB)
1.	Mrs. Usanee Kamolsantisuk	Thai	10,000,000,000	0.021	210,000,000.00
2.	Miss Thatchamon Nanawarathorn	Thai	5,000,000,000	0.021	105,000,000.00
3.	Mr. Natthasan Nanawarathorn	Thai	5,000,000,000	0.021	105,000,000.00
4.	Mr. Piyaphan Wongyara	Thai	2,000,000,000	0.021	42,000,000.00
5.	Mr. Lamphan Phanthanapraphet	Thai	2,000,000,000	0.021	42,000,000.00
6.	Mr. Mongkhon Sukcharoenkhana	Thai	1,800,000,000	0.021	37,800,000.00
7.	Mr. Wirasak Boonwarametee	Thai	1,500,000,000	0.021	31,500,000.00



No.	PP Subscribers	Nationality	Number of Shares	Par Value per Share (THB)	Total Value of Shares (THB)
8.	Mr. Konchanan Thanannaphong	Thai	1,500,000,000	0.021	31,500,000.00
9.	Mr. Manop Charukamnoetkanok	Thai	1,100,000,000	0.021	23,100,000.00
10.	Mrs. Nuananong Sombatchirakan	Thai	1,000,000,000	0.021	21,000,000.00
11.	Mr. Santichai Wanasisan	Thai	540,000,000	0.021	11,340,000.00
12.	Mr. Sumet Phongthanya	Thai	500,000,000	0.021	10,500,000.00
13.	Mr. Thawon Suksisaranchit	Thai	400,000,000	0.021	8,400,000.00
14.	Miss Parichat Hongpisutthikun	Thai	300,000,000	0.021	6,300,000.00
15.	Miss Phanitta Futrakun	Thai	200,000,000	0.021	4,200,000.00
16.	Mrs. Thipwan Rueangbun	Thai	120,000,000	0.021	2,520,000.00
	<b>Total</b>		32,960,000,000	0.021	692,160,000.00

Concerning this subject matter, these 16 PP subscribers intend to make payment for such shares to the Company in 4 installments as follows:

The first payment in the amount of 10% of the total value of the subscribed shares to be made after the date of approval by the AGM to offer new shares and within 7 days following the date of approval by the SEC to sell such shares;

The second payment in the amount of 30% of the total value of the subscribed shares to be made after the date of approval by the AGM to offer new shares and within 30 days following the date of approval by the SEC to sell such shares;

The third payment in the amount of 30% of the total value of the subscribed shares to be made after the date of approval by the AGM to offer new shares and within 60 days following the date of approval by the SEC to sell such shares;

The fourth payment in the amount of 30% of the total value of the subscribed shares to be made within no more than 3 months following the date of approval by the AGM to offer such new shares.

Regarding this, the market price is derived from the average weighted closed price of the ordinary share of IEC in SET for seven consecutive business days prior to the date when the Board has resolved to propose to the AGM for the approval of new ordinary share offering for capital increase. Therefore, the average weighted closed prices of the ordinary share of IEC in SET between 2<sup>nd</sup> March 2016 to 10<sup>th</sup> March 2016, or seven consecutive business days, were taken into account and it was found that the offering price is **THB 0.03 (three satang)** per share.

In addition, since the issuance of new ordinary shares to PP subscribers is offered with the price of 90 percent lower than the market price, the PP subscribers are conditioned to a silent period of 1 year after share acquisition, restricting sales and transfer of the subscribed shares. Regarding this, after a period of 6 months after share acquisition, the PP subscribers who are conditioned to such silent period are allowed to gradually sell 25 percent of the total number of subscribed shares conditioned to the silent period.



The Company has considered and selected these PP subscribers who are the existing major shareholders of the Company's subsidiaries according to the list of existing shareholders as of 7<sup>th</sup> January 2016, which is the closing date of registry for shareholders entitled to subscribe for the Company's new ordinary shares offered to all the existing shareholders. Between 1<sup>st</sup> February 2016 until 5<sup>th</sup> February 2016, such major shareholders had subscribed for new ordinary share offering for capital increase allotted to the existing shareholders at that time much higher than their allocated right while the warrants had been offered far less than their subscription. As a result, the Company had no shares left to sell to the existing shareholders wishing to subscribe in excess of such right and had to refund the unsubscribed shares that could not be allotted to a large number shareholders, accounted for more than THB 500 million. The Company therefore sees the capital potentiality of these existing major shareholders in addition to their expressed intention for new ordinary share subscription in a private placement. It is therefore deemed expedient to seize such a significant opportunity to increase the capital to the maximum benefit of the Company eventually.

Remark: These 16 PP subscribers are the existing shareholders of the Company and considered as the direct stakeholder. Therefore, such existing shareholders shall have no right of vote on this agenda on the allocation of shares to PP subscribers. This shall also apply to individuals associated with such existing shareholders, according to Section 258 (1) to (7) of the Securities and Exchange Act B.E. 2535 (1992).

In this regard, the 16 PP subscribers mentioned above are not associated with each other and have no connection with the Company in any way, shape, or form. Nor will they take part in the management of the normal operation of the Company in the future.

However, the right to acquire the allotment of new ordinary shares of the Company of these private placement subscribers is still tentative. This shall be approved by the 2016 AGM for the official allotment.

The reasons and opinions of the Company in determining the offering price of such shares to the PP subscribers at a low price are as follows:

1. The reason concerning the need to improve the Company's liquidity: such amount of increased capital will be used to invest in the projects that have already been considered by the Board since 2014 but suspended due to the lack of liquidity;
2. The necessity to maximize the major shareholders of the Company to form a group of strategic alliance: these alliances will become a significant contribution to more stable financial structure of the Company. In addition, the alliance's investment will be the long-term investment because if these major alliances are awarded the right to PP subscription, they will have to hold the Company's shares for at least equal to the silent period, for 1 year in this case.
- 8) The Board agreed on the issuance and allotment of warrant to purchase new ordinary shares of the Company # 2 (IEC-W2) of not exceeding 40,679,084,250 units to the existing shareholders at the ratio of 5 existing ordinary shares to 1 unit of IEC-W2 (in case of fragments, decimals shall be rounded off). This allotment of IEC-W2 is free of charge and valid for three years from the date of issuance. **In addition, the IEC-W2 will be**



**listed by the Company as securities on the Stock Exchange of Thailand (SET) as well.** Concerning this matter, 1 unit of warrant (IEC-W2) will have the right to purchase 1 new ordinary share at the fixed exercise price for each year with details as follows:

- In the first year (from the date of issuance until end of the first year) the exercise price is THB 0.025 (zero point zero two five baht) per share;
- In the second year (from the end of the first year until end of the second year of the issuance) the exercise price is THB 0.035 (zero point zero three five baht) per share;
- In the third year (from the end of the second year until end of the third year of the issuance) the exercise price is THB 0.045 (zero point zero four five baht) per share.

In terms of the exercise period, warrants can be exercised quarterly, i.e. end of March, June, September, and December each year, within the last business day of the end of each quarter, including the last business day of the end of the warrant term.

Kindly see the details of issuance of warrant (IEC-W2) to purchase ordinary shares enclosed herewith. This will also be proposed to the 2016 AGM for further approval.

Concerning this matter, the 2016 AGM will also resolve on scheduling the record date for the acquisition of the warrant (IEC-W2) on 9<sup>th</sup> May 2016, and the closing date of the Company's share register book for existing shareholders to retain the right for warrant offering, according to Section 225 of the Securities and Exchange Act B.E. 2535 (1992) shall be on 10<sup>th</sup> May 2016.

However, the right to acquire the allotment of the warrant (IEC-W2) is still tentative. This shall also be approved by the 2016 AGM for the official allotment.

9) The Board agreed on the issuance and allotment of the Company's new ordinary shares of not exceeding 40,679,084,250 shares with par value of THB 0.01 (one satang) each, to accommodate the right to exercise the warrants (IEC-W2). And this will be proposed to the 2016 AGM for further approval as well.

10) The Board scheduled the date for 2016 Annual Ordinary General Meeting on Monday, 25<sup>th</sup> April 2016, at 2 p.m., at Plenary Hall 1, Queen Sirikit National Convention Center, 60 Ratchadaphisek Road, Khlong Toei, Bangkok.

11) The Board scheduled the record date (determining shareholders entitled to attend the 2016 AGM) on 30<sup>th</sup> March 2016, and agreed to gather list of shareholders according to Section 225 under the Securities and Exchange Act, B.E. 2535 (1992) by closing share register book for the shareholders to retain the right to attend the 2016 AGM on 31<sup>st</sup> March 2016.

12) The agenda of the 2016 AGM are as follows:

Agenda 1: Review and approve the minutes of the Extraordinary General Meeting of Shareholders No.1/2015, dated 14<sup>th</sup> December 2015.



**Board's Opinion:** Deem expedient to approve the minutes.

Agenda 2: Review and acknowledge the 2015 operational results of the Company reported by the Board of Directors.

**Board's Opinion:** Deem expedient to report the 2015 operational results of the Company to the ordinary general meeting.

Agenda 3: Consider and approve the audited annual balance sheet, profit and loss statement for the year as ended 31 December 2015.

**Board's Opinion:** Deem expedient to approve the annual balance sheet, profit and loss statement for the year as ended 31 December 2015, reviewed by the Audit Committee and audited by the CPA.

Agenda 4: Consider and approve the omission of dividend for 2015 operating year.

**Board's Opinion:** Despite positive earnings for 2015 operating year, due to retained losses, plus statutory and other reserves, the 2015 net profit of the Company remains at THB 10,651,592, which is considered only a slight surplus. Moreover, such earnings are required as working capital to finance the operations of the Company further. Therefore, it is deemed expedient to omit 2015 dividend payment.

Agenda 5: Consider and approve the appointment of external auditor and audit fee for 2016.

**Board's Opinion:** Deem expedient to appoint Ms. Maliwan Phahuwattanakorn, CPA No. 4701 or Mr. Manit Warakitjaporn, CPA No. 7326 of NPS Siam Audit Limited as the auditor of the Company for 2016, capping audit fee for the Company and affiliates in 2016 at not exceeding THB 7,000,000 (seven million baht).

Agenda 6: Consider and approve the appointment of Directors in replacement of the Directors who have completed their term in office.

**Board's Opinion:** There are three directors who retire by rotation, namely:

- (1) Dr. Bhusana Premanode;
- (2) Mr. Sutee Phongpaiboon; and
- (3) Dr. Pairote Sattayatham.

It is deemed expedient to nominate these three persons to continue their directorship for another term in office.

Agenda 7: Consider and approve the election of 2 additional directors, adding to the existing 9 directors, making 11 directors. The newly elected directors include:

- (1) Dr. Bussakorn Jaruwachirathanakul; and,
- (2) Professor Dr. Narumon Saardchom.

**Board's Opinion:** Deem expedient to approve the election of the two additional Directors as mentioned above.



Agenda 8: Consider and approve remuneration for directors, executive directors, and members of Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee and Corporate Governance Committee in 2016.

**Board's Opinion:** Deem expedient to remunerate directors, executive directors, and members of Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee and Corporate Governance Committee in 2016, not exceeding THB 7,500,000 (seven million five hundred thousand baht).

Agenda 9: Consider and approve the decrease of the Company's registered capital from THB 2,048,245,850 to THB 2,033,954,212.50, divided into 203,395,421,250 shares with par value of THB 0.01 each, by eliminating 1,429,163,750 unissued ordinary shares.

**Board's Opinion:** Deem expedient to reduce the Company's registered capital from THB 2,048,245,850 to THB 2,033,954,212.50, divided into 203,395,421,250 shares with par value of THB 0.01 each, by eliminating 1,429,163,750 unissued ordinary shares.

Agenda 10: Consider and approve the amendment of the Company's Memorandum of Association, Clause 4 (Registered Capital) to be in compliance with the capital decreased by eliminating the unissued ordinary shares.

**Board's Opinion:** Deem expedient to amend the Company's Memorandum of Association, Clause 4 (Registered Capital) to be in compliance with the capital decreased by eliminating the unissued ordinary shares.

Agenda 11: Consider and approve to increase the Company's registered capital by THB 736,390,842.50, adding to the current registered capital of THB 2,033,954,212.50, to be THB 2,770,345,055, by issuing 73,639,084,250 new ordinary shares with par value of THB 0.01 per share.

**Board's Opinion:** Deem expedient to increase the Company's registered capital by THB 736,390,842.50, adding to the current registered capital of THB 2,033,954,212.50, to be at THB 2,770,345,055, by issuing 73,639,084,250 new ordinary shares with par value of THB 0.01 per share.

Agenda 12: Consider and approve the amendment of the Company's Memorandum of Association, Clause 4 (Registered Capital) to be in compliance with the increased capital.

**Board's Opinion:** Deem expedient to amend the Company's Memorandum of Association, Clause 4 (Registered Capital) to be in compliance with the increased capital.

Agenda 13: Consider and approve the issuance and allotment of new ordinary shares for capital increase of 32,960,000,000 shares, with par value of THB 0.01 (one satang) each, to 16 PP subscribers, with the selling price of THB 0.021 (zero point zero two one baht) per share, **to**



**be offered through a private placement with the resolution to determine the specific offering price that is lower than the market price.**

**Board's Opinion:** Deem expedient to issue and allot new ordinary shares for capital increase of 32,960,000,000 shares, with par value of THB 0.01 (one satang) each, to 16 PP subscribers, with the selling price of THB 0.021 (zero point zero two one baht) per share, **to be offered through private placement (PP) with the resolution to determine the specific offering price that is lower than the market price.**

Agenda 14: Consider and approve the issuance and allotment of warrant to purchase new ordinary shares of the Company # 2 (IEC-W2) of not exceeding 40,679,084,250 units to the existing shareholders at the ratio of 5 existing ordinary shares to 1 unit of IEC-W2, free of charge. In this regard, 1 unit of warrant (IEC-W2) will have the right to purchase 1 new ordinary share while the exercise price and other terms and conditions are as appears in the Enclosure attached herewith.

**Board's Opinion:** Deem expedient to issue and allocate warrants to purchase new ordinary shares of the Company # 2 (IEC-W2) of not exceeding 40,679,084,250 units to the existing shareholders according to the terms and conditions as appears in the attached Enclosure.

Agenda 15: Consider and approve the issuance and allotment of the Company's new ordinary shares of not exceeding 40,679,084,250 shares with par value of THB 0.01 (one satang) each, to accommodate the right to exercise the warrants (IEC-W2).

**Board's Opinion:** Deem expedient to issue and allocate the Company's new ordinary shares of not exceeding 40,679,084,250 shares with par value of THB 0.01 (one satang) each, to accommodate the right to exercise the warrants (IEC-W2).

Agenda 16: Consider other subject matters (if any).

Please be informed accordingly.

Yours sincerely,

(Dr. Attawooth Laohapakdee)

Senior Executive Vice President, Operation Unit 2





Enclosure I

(F53-4)

**Capital Increase Report Form****(Capital Decrease, Capital Increase, Allotment of Capital-Increasing Share Offered through PP, Issuance and Allotment of Warrants (IEC-W2) to Purchase New Ordinary Shares, and Issuance of Capital-Increasing Shares to Accommodate IEC-W2)****The International Engineering Public Company Limited****11<sup>th</sup> March 2016**

We, The International Engineering Public Company Limited (the Company), hereby report the resolutions of the Board of Directors No. 2/2016, held on 11<sup>th</sup> March 2016 at 1.30 p.m. in respect of the capital decrease, capital increase, allotment of capital-increasing share offered through PP, issuance and allotment of warrants (IEC-W2) to purchase new ordinary shares, and issuance of capital-increasing shares to accommodate IEC-W2, with details as follows:

**1. Capital decrease.**

The meeting of the Board of Directors No. 2/2016 passed a resolution agreeing on the decrease of the Company's registered capital from THB 2,048,245,850 to THB 2,033,954,212.50, divided into 203,395,421,250 shares with par value of THB 0.01 each, by eliminating 1,429,163,750 unissued ordinary shares.

**2. Capital increase.**

The meeting of the Board of Directors No. 2/2016 passed a resolution agreeing on the increase of the Company's registered capital by THB 736,390,842.50, adding to the current registered capital of THB 2,033,954,212.50, to be at THB 2,770,345,055, by issuing 73,639,084,250 new ordinary shares with par value of THB 0.01 each.

Details of the capital increase are as follows:

Type of capital increase	Type of share	Number of shares	Par Value (THB per share)	Total (THB)
Objective-based	Ordinary	73,639,084,250	0.01	736,390,842.50
	Preferred	-	-	-
General Mandate	Ordinary	-	-	-
	Preferred	-	-	-



**3. The issuance and allotment of new ordinary shares for capital increase of 32,960,000,000 shares, with par value of THB 0.01 (one satang) each, to 16 PP subscribers, with the selling price of THB 0.021 (zero point zero two one baht) per share.**

The meeting of the Board of Directors No. 2/2016 passed a resolution agreeing on the issuance and allotment of new ordinary shares for capital increase of 32,960,000,000 shares, with par value of THB 0.01 (one satang) each, to 16 private placement subscribers, with the selling price of THB 0.021 (zero point zero two one baht) per share, **to be offered through private placement (PP) with the resolution to determine the specific selling price that is lower than the market price.** This shall be conducted in accordance with the Notification of the Capital Market Supervisory Board No. Tor Jor. 72/2558, Re: Permitting a Company to Offer New Shares in a Private Placement, dated 28<sup>th</sup> October 2015, as well as the Notification of The Stock Exchange of Thailand, Re: Rules, Conditions and Procedures Governing the Listing of Ordinary or Preferred Shares Issued for Capital Increase B.E. 2558 (2015), dated 29<sup>th</sup> April 2015, and will be proposed to the 2016 AGM for further approval. In this respect, this must receive the approval of not less than three fourths of the total votes of shareholders in presence with right of vote, with the disapproval of such offering of not exceeding 10 percent of the total votes of shareholders in presence and entitled to vote, as well as the permission of the SEC accordingly in advance. Regarding this, the Company is allowed to complete the share selling within the period approved by AGM, which shall not exceed three months, from the date of the approval by AGM to issue such new shares.

The list of private placement (PP) subscribers is shown below:

No.	PP Subscribers	Nationality	Number of Shares	Par Value per Share (THB)	Total Value of Shares (THB)
1.	Mrs. Usanee Kamolsantisuk	Thai	10,000,000,000	0.021	210,000,000.00
2.	Miss Thatchamon Nanawarathorn	Thai	5,000,000,000	0.021	105,000,000.00
3.	Mr. Natthasan Nanawarathorn	Thai	5,000,000,000	0.021	105,000,000.00
4.	Mr. Piyaphan Wongyara	Thai	2,000,000,000	0.021	42,000,000.00
5.	Mr. Lamphan Phanthanapraphet	Thai	2,000,000,000	0.021	42,000,000.00
6.	Mr. Mongkhon Sukcharoenkhana	Thai	1,800,000,000	0.021	37,800,000.00
7.	Mr. Wirasak Boonwarametee	Thai	1,500,000,000	0.021	31,500,000.00
8.	Mr. Konchanan Thanannaphong	Thai	1,500,000,000	0.021	31,500,000.00
9.	Mr. Manop Charukamnoetkanok	Thai	1,100,000,000	0.021	23,100,000.00
10.	Mrs. Nuananong Sombatchirakan	Thai	1,000,000,000	0.021	21,000,000.00
11.	Mr. Santichai Wanasisan	Thai	540,000,000	0.021	11,340,000.00
12.	Mr. Sumet Phongthanya	Thai	500,000,000	0.021	10,500,000.00
13.	Mr. Thawon Suksisaranchit	Thai	400,000,000	0.021	8,400,000.00
14.	Miss Parichat Hongpisutthikun	Thai	300,000,000	0.021	6,300,000.00
15.	Miss Phanitta Futrakun	Thai	200,000,000	0.021	4,200,000.00
16.	Mrs. Thipwan Rueangbun	Thai	120,000,000	0.021	2,520,000.00
	<b>Total</b>		32,960,000,000	0.021	692,160,000.00



Concerning this subject matter, these 16 PP subscribers intend to make payment for such shares to the Company in 4 installments as follows:

The first payment in the amount of 10% of the total value of the subscribed shares to be made after the date of approval by the AGM to offer new shares and within 7 days following the date of approval by the SEC to sell such shares;

The second payment in the amount of 30% of the total value of the subscribed shares to be made after the date of approval by the AGM to offer new shares and within 30 days following the date of approval by the SEC to sell such shares;

The third payment in the amount of 30% of the total value of the subscribed shares to be made after the date of approval by the AGM to offer new shares and within 60 days following the date of approval by the SEC to sell such shares;

The fourth payment in the amount of 30% of the total value of the subscribed shares to be made within no more than 3 months following the date of approval by the AGM to offer such new shares.

Regarding this, the market price is derived from the average weighted closed price of the ordinary share of IEC in SET for seven consecutive business days prior to the date when the Board has resolved to propose to the AGM for the approval of new ordinary share offering for capital increase. Therefore, the average weighted closed prices of the ordinary share of IEC in SET between 2<sup>nd</sup> March 2016 to 10<sup>th</sup> March 2016, or seven consecutive business days, were taken into account and it was found that the offering price is **THB 0.03 (three satang)** per share.

In addition, since the issuance of new ordinary shares to PP subscribers is offered with the price of 90 percent lower than the market price, the PP subscribers are conditioned to a silent period of 1 year after share acquisition, restricting sales and transfer of the subscribed shares. Regarding this, after a period of 6 months after share acquisition, the PP subscribers who are conditioned to such silent period are allowed to gradually sell 25 percent of the total number of subscribed shares conditioned to the silent period.

The Company has considered and selected these PP subscribers who are the existing major shareholders of the Company's subsidiaries according to the list of existing shareholders as of 7<sup>th</sup> January 2016, which is the closing date of registry for shareholders entitled to subscribe for the Company's new ordinary shares offered to all the existing shareholders. Between 1<sup>st</sup> February 2016 until 5<sup>th</sup> February 2016, such major shareholders had subscribed for new ordinary share offering for capital increase allotted to the existing shareholders at that time much higher than their allocated right while the warrants had been offered far less than their subscription. As a result, the Company had no shares left to sell to the existing shareholders wishing to subscribe in excess of such right and had to refund the unsubscribed shares that could not be allotted to a large number shareholders, accounted for more than THB 500 million. The Company therefore sees the capital potentiality of these existing major shareholders in addition to their expressed intention for new ordinary share



subscription in a private placement. It is therefore deemed expedient to seize such a significant opportunity to increase the capital to the maximum benefit of the Company eventually.

Remark: These 16 PP subscribers are the existing shareholders of the Company and considered as the direct stakeholder. Therefore, such existing shareholders shall have no right of vote on this agenda on the allocation of shares to PP subscribers. This shall also apply to individuals associated with such existing shareholders, according to Section 258 (1) to (7) of the Securities and Exchange Act B.E. 2535 (1992).

In this regard, the 16 PP subscribers mentioned above are not associated with each other and have no connection with the Company in any way, shape, or form. Nor will they take part in the management of the normal operation of the Company in the future.

However, the right to acquire the allotment of new ordinary shares of the Company of these private placement subscribers is still tentative. This shall be approved by the 2016 AGM for the official allotment.

#### **4. The issuance and allotment of warrant to purchase new ordinary shares of the Company # 2 (IEC-W2) to the existing shareholders.**

The meeting of the Board of Directors No. 2/2016 passed a resolution agreeing on the issuance and allotment of warrant to purchase new ordinary shares of the Company # 2 (IEC-W2) of not exceeding 40,679,084,250 units to the existing shareholders at the ratio of 5 existing ordinary shares to 1 unit of IEC-W2 (in case of fragments, decimals shall be rounded off). This allotment of IEC-W2 is free of charge and valid for three years from the date of issuance. **In addition, the IEC-W2 will be listed by the Company as securities on the Stock Exchange of Thailand (SET) as well.** Concerning this matter, 1 unit of warrant (IEC-W2) will have the right to purchase 1 new ordinary share at the fixed exercise price for each year with details as follows:

- In the first year (from the date of issuance until end of the first year) the exercise price is THB 0.025 (zero point zero two five baht) per share;
- In the second year (from the end of the first year until end of the second year of the issuance) the exercise price is THB 0.035 (zero point zero three five baht) per share;
- In the third year (from the end of the second year until end of the third year of the issuance) the exercise price is THB 0.045 (zero point zero four five baht) per share.

In terms of the exercise period, warrants can be exercised quarterly, i.e. end of March, June, September, and December each year, within the last business day of the end of each quarter, including the last business day of the end of the warrant term.

Kindly see the details of issuance of warrant (IEC-W2) to purchase ordinary shares enclosed herewith. This will also be proposed to the 2016 AGM for further approval.

Concerning this matter, the 2016 AGM will also resolve on scheduling the record date for the acquisition of the warrant (IEC-W2) on 9<sup>th</sup> May 2016, and the closing date of the Company's share register book for existing



shareholders to retain the right for warrant offering, according to Section 225 of the Securities and Exchange Act B.E. 2535 (1992) shall be on 10<sup>th</sup> May 2016.

However, the right to acquire the allotment of the warrant (IEC-W2) is still tentative. This shall also be approved by the 2016 AGM for the official allotment.

**5. The issuance and allotment of the Company's new ordinary shares of not exceeding 40,679,084,250 shares to accommodate the right to exercise the warrants (IEC-W2).**

The meeting of the Board of Directors No. 2/2016 passed a resolution agreeing on the issuance and allotment of the Company's new ordinary shares of not exceeding 40,679,084,250 shares with par value of THB 0.01 (one satang) each, to accommodate the right to exercise the warrants (IEC-W2).

**6. Details of new share allotment.**

Allotted to	Number of Shares/Units	Ratio (Existing : New)	Selling Price per Share (THB)	Subscription and Payment Period	Note
1. Private placement (PP) subscribers	32,960,000,000	-none-	0.021	New ordinary shares to be offered to PP subscribers shall receive the permission of the SEC accordingly in advance. Regarding this, the Company is allowed to complete the share selling within the period approved by AGM, which shall not exceed 3 months, from the date of the approval by AGM to offer such new shares.	Since the price is offered at 90 percent lower than the market price, this shall receive the approval of not less than three fourths of the total votes of shareholders in presence with right of vote, with the disapproval of such offering of not exceeding 10 percent of the total votes of shareholders in presence and entitled to vote.



Allotted to	Number of Shares/Units	Ratio (Existing : New)	Selling Price per Share (THB)	Subscription and Payment Period	Note
2. Existing shareholders to accommodate the right to exercise the warrants (IEC-W2)	40,679,084,250	5 : 1 In case of fragments, decimals shall be rounded off.	This allotment of IEC-W2 is free of charge. 1 unit of warrant (IEC-W2) will have the right to purchase 1 new ordinary share at the exercise price with details shown in the Enclosure II attached herewith.	Kindly see the details of issuance of warrant (IEC-W2) to purchase ordinary shares enclosed herewith.	

6.1 Company measures when fractions of shares remain: Decimals shall be rounded off.

6.2 Number of unsubscribed shares: None

**7. The scheduled date of the annual general meeting in request of approval for capital decrease, capital increase, share allotment through PP, warrant (IEC-W2) issuance and allotment, and share issuance to accommodate the right to exercise IEC-W2.**

The company schedules the date of 2016 Annual Ordinary General Meeting on Monday 25<sup>th</sup> April 2016, at 2.00 p.m. at Plenary Hall 1, Queen Sirikit National Convention Center, 60 Ratchadaphisek Road, Khlong Toei, Bangkok. In addition, the record date (determining shareholders entitled to attend the 2016 AGM) is scheduled to be on 30<sup>th</sup> March 2016, and the list of shareholders is to be gathered according to Section 225 under the Securities and Exchange Act, B.E. 2535 (1992) by closing share registry on 31<sup>st</sup> March 2016.

**8. The request for approval of capital decrease, capital increase, share offering through PP, warrant allotment, and capital increasing share issuance to accommodate the right to exercise IEC-W2 and issuance of capital-increasing shares to accommodate IEC-W2 to be filed to relevant authorities and condition of request (if applicable).**

8.1 Ministry of Commerce: to register capital decrease and capital increase; to amend Memorandum of Association; and, to register paid-up capital.

8.2 The Stock Exchange of Thailand: to request for approval in listing new ordinary shares offered through PP, warrants (IEC-W2) and new ordinary shares arisen from the right to exercise the warrants (IEC-W2) as securities in SET.

**9. The objectives of the capital increase and plans for utilizing proceeds received from the additional capital.**

9.1 To allocate capital increasing new shares to be offered to the PP subscribers with the objectives of capital increase and plans to use the additional capital as appears in the attachment (please find attached herewith the annex of details of the objectives and plans for utilizing proceeds received from this additional capital).

9.2 To increase the capital to accommodate the right to exercise the warrants (IEC-W2) where the proceeds of the exercise of the warrants (IEC-W2) in each installment (if any) will be use to improve the liquidity as well as to reserve as the working capital in the future and to support the growth of the Company.

**10. The benefits that the Company will gain from the capital increase/share allotment.**

10.1 An increase in working capital for the Company's business.

10.2 The increased capital base and strengthened capital structure and financial position of the Company to facilitate business expansion.

**11. The benefits that the shareholders will gain from the capital increase/share allotment.**

11.1 Dividend policy: the shareholders will benefit from receiving dividend, which depends on the operational performance of the Company.

11.2 Other benefits: -none-

**12. Other particulars contributing to the shareholders' decision making on approval of capital decrease, capital increase and share allotment.**

The allotment of new ordinary shares for capital increase to PP subscribers and the allotment of warrants (IEC-W2) may cause a dilution effect on the existing shareholders as follows:

12.1 The issuance and allotment of new ordinary shares for capital increase to PP subscribers in the amount of 32,960,000,000 shares, with the selling price of THB 0.021 (zero point zero two one baht) per share, may create dilution effect on the existing shareholders as follows:

12.1.1 Control dilution: the proportion of existing shares may reduce to 86.05 percent of the paid-up capital of the Company, with the current amount of 203,395,421,250 shares as of 11<sup>th</sup> March 2016.

12.1.2 Price dilution: the price dilution accounts for THB 0.009 per share when compared to the market price, or the price dilution of about 30 percent of the market price.

12.2 The issuance and allotment of warrants (IEC-W2) may not cause any dilution effect on the existing shareholders during the period of issuance and allotment of IEC-W2.

12.3 In terms of the exercise right of the warrants (IEC-W2) to purchase new ordinary shares for capital increase, there will not be any dilution effect on the existing shareholders who intend to exercise their



warrants of the whole amount of the shares. On the contrary, if the persons to exercise the warrants are not all the existing shareholders of the whole amount, there may be a dilution effect on the existing shareholders when they are about to exercise the warrants (IEC-W2). The proportion of existing shares may reduce to 83.33 percent of the paid-up capital of the Company, with the current amount of 203,395,421,250 shares as of 11<sup>th</sup> March 2016, when combined with the total number of exercised shares.

**13. Schedule of actions pursuant to the Board of Directors' approval of capital decrease, capital increase and warrant allotment.**

Courses of Action	Calendar
Board of Directors Meeting No. 2/2016	March 11, 2016
Schedule the record date to determine shareholders entitled for AGM attendance	March 30, 2016
Gather shareholder list by closing share registry	March 31, 2016
2016 Annual Ordinary General Meeting	April 25, 2016
Registration of capital decrease	Within 14 days after the approval by the AGM
Registration of capital increase	Within 14 days after the approval by the AGM
Schedule the record date to determine shareholders entitled for warrants (IEC-W2)	May 9, 2016
Gather shareholder list by closing share registry	May 10, 2016
Issue and allot warrants (IEC-W2)	Within 1 month after the closing share registry for shareholders entitled for warrants (IEC-W2)
Issue and offer shares via PP subscription	After the approval by the AGM and the permission given by the SEC. The Company shall complete the share selling within the period approved by AGM, which shall not exceed 3 months, from the date of the approval by AGM to offer such new shares.
Registration of paid-up capital increase via the right to exercise the warrants (IEC-W2)	Within 14 days following the maturity date for the exercise of warrants for each installment
Registration of paid-up capital increase via PP subscription	Within 14 days after the closing subscription

The Company hereby certifies that all the information provided in this Capital Increase Report Form is true and accurate in all respects.

Signed

(Dr. Attawooth Laohapakdee)

Senior Executive Vice President, Operation Unit 2





Attachment

**Annex to Clause 9.1 of the Capital Increase Report Form (F53-4)**  
**Particulars of Necessity for the Use of Capital Increase via PP Subscription**

**1. The cash balance of the International Engineering Public Company Limited as of 10<sup>th</sup> March 2016.**

The recent statements of financial position publicized on the website of the Stock Exchange of Thailand shows that as of 31<sup>st</sup> December 2015 the Company had the total cash of THB 58 million while at present as of 10<sup>th</sup> March 2016 the Company's cash is at THB 381 million. Currently, the Company has acknowledged revenues from three solar power projects (IEC Mae Tha Mae Taeng Co., Ltd and IEC Mae Ramat Co., Ltd) whereas in the past year the Company yielded the loss from the biomass power plant (IEC Sakaeo 1 Co., Ltd) and from the municipality solid waste-to-energy power plant (GiDEC Co., Ltd). In the calculation of cash balance this time, the Company does not take into account the estimated gains and losses from such power plants because the biomass power plant and solid waste-to-energy power plant are under the improvement for productivity increase that could cause uncertainty to reflect the cash balance of the business of both power plants. However, the Company also need to have certain amount of reserves should the loss of such businesses prolong beyond expectations. The Company, therefore, has to set up the working capital of THB 250 million baht. For that reason, the Company uses the cash balance as of 10<sup>th</sup> March 2016 as the beginning cash as shown in Table 1.

**Table 1: The Company's Beginning Cash as of 10<sup>th</sup> March 2016**

unit: THB million

Items	Amount
Cash balance as of 10 <sup>th</sup> March 2016	381
Net income and expenditure of the project operation mentioned above	N/A

**2. Progress of projects under implementation (investment mode).**

The progresses of the projects that have been approved by the Board of Directors are as follows:

2.1 The 5 projects approved by the Board of Directors in for 2015-16 operating years include:

2.1.1 Accrued expenses to the manufacturers and installation costs arisen from waste plastic recycling project or "Rayong 1" approved by the Board of Directors meeting No. 2/2016 on 11<sup>th</sup> March 2016.

2.1.2 The waste plastic recycling project at Southern Industrial Estate, Chalung Sub-district, Hat Yai District, Songkhla Province or "Hat Yai 1" approved by the Board of Directors meeting No. 12/2015 on 8<sup>th</sup> July 2015.

2.1.3 Khampangpet Biogas Power Plant Project or "KPP" approved by the Board of Directors meeting No. 7/2015 on 23<sup>rd</sup> March 2015.



2.1.4 The project on the application of technology and prototype of a small sized municipality solid waste-to-energy power plant or “Green 2” approved by the Board of Directors meeting No. 14/2015 on 30<sup>th</sup> September 2015 and the project on renting out machinery to optimize power generation of IEC Sakaeo 1 or “Green 3” approved by the Board of Directors meeting No. 2/2016 on 11<sup>th</sup> March 2016.

Remark: The working capital of THB 250 million is not included.

Details of the turnovers of each investment project, including working capital, are as shown in Table 2.

**Table 2: Details of the Five Investment Projects**

unit: THB million

	Rayong 1	Hat Yai 1	KPP	Green 2	Green 3
Approved investments (THB million)	751.00	157.00	428.00	125.00	74.00
Used capital as of 10 <sup>th</sup> March 2016 (THB million)	539.00	71.00	40.00	83.00	0.00
Further investment in need (THB million)	212.00	86.00	388.00	42.00	74.00
IRR (%)	18.00	19.90	19.09	14.19	12.76
NPV (THB million)	100.00	36.00	505.00	43.00	235.00
Payback Period (years)	4.09	3.54	4.21	6.93	7.34

In terms of the implementation phase of these projects, the majority are the urgent projects while the KPP project is expected to be completed in the next two years. Data in Table 3 illustrate cash balance required in each investment project.

**Table 3: Cash In-Need for the Five Investment Projects and 2016-17 Working Capital**

unit: THB million

Project Investment and Working Capital	2016-17	2016	2017
Rayong 1	212	212	N/A
Hat Yai 2	71	86	N/A
KPP	388	80	308
Green 2	42	42	N/A
Green 3	74	74	N/A
<b>Total project investment</b>	<b>787</b>	<b>494</b>	<b>308</b>
<i>Working capital</i>	250	250	N/A
<b>Total cash in-need</b>	<b>1,037</b>	<b>744</b>	<b>308</b>

**3. Sum of the beginning cash in Table 1 and the total cash in-need in Table 3.**

In this section, the beginning cash as of March 2016 as shown in Table 1 will be combined with the total cash in-need shown in Table 3. The result is the net cash in-need from operation of which such amount (as detailed in Table 4) need to be obtained from the source of fund. The sources of fund will be further explained in Section 4.

Incidentally, Table 3 shows the projects that are extremely important and have been approved by the Board of Directors. In addition, the Company also has other renewable energy projects apart from those shown in Table 3, including biogas project in Suphan Buri, Khok Charoen Power Plant Project in Sakaeo, etc. The Company is in the process of feasibility study considering the risks whether to invest or not. Therefore, the two projects, namely biogas project in Suphan Buri and Khok Charoen Power Plant Project in Sakaeo are not included in Table 3.

**Table 4: The Sum of Beginning Cash and Cash In-Need (Excluding Source of Fund) for 2016-17**

unit: THB million

Items	2016-1017
Beginning cash (Table 1)	381
Total cash in-need (Table 3)	(1,037)
Net cash in-need from operation	(656)

It is worth mentioning that Tables 3 and 4 show that for the years 2016-17 some projects have started the investment and under the installation. Therefore, those projects fall in the category of investment mode and have not yet been changed into the operating mode. For that reason, the Company will not take into account the realized gains from these projects nor include in Table 4. Regarding this, taking these projects into account for the calculation of the realized gain, there may be some errors and difficulty to recognize revenue in a short time.

**It can be concluded from Table 4 that as there is a deficit cash balance for the years 2016-2017 in the amount of THB 656 million, it is therefore necessary to raise new capital.**

**4. Sources of fund.**

Details of sources of fund are as follows:

4.1 Capital increase from the issuance and allotment through PP subscription according to the resolution of the Board of Directors dated 11<sup>th</sup> March 2016 for the amount of THB 692 million is expected to receive in a total of 4 installments as follows:

4.1.1 10% deposit for the amount of THB 69.2 million following the date of approval by the AGM to issue and offer new ordinary shares and within 7 days following the date of approval by the SEC to sell such newly issued shares.



4.1.2 30% of cash received from the first installment for the amount of THB 207.6 million following the date of approval by the AGM to issue and offer new ordinary shares and within 30 days following the date of approval by the SEC to sell such newly issued shares.

4.1.3 30% of cash received from the second installment for the amount of THB 207.6 million following the date of approval by the AGM to issue and offer new ordinary shares and within 60 days following the date of approval by the SEC to sell such newly issued shares.

4.1.4 30% of cash received from the third installment for the amount of THB 207.6 million within 3 months following the date of approval by the AGM to issue and offer such new ordinary shares.

4.2 Capital increase from the issuance and allotment of warrants depends on the decision of the major shareholders and relates to market factors. Therefore, as the company sees that the capital increase from the warrants has uncertain possibility, warrants is excluded from the sources of fund.

As a result, the **source of fund as detailed in Section 4.1 accounts for the amount of THB 692 million** while the cash in-need from operation as shown in Table 4 accounts for THB 656 million. When the cash in-need from operation is deducted by the sources of fund, it is found that there is a operating cash reserve arising by THB 36 million with details as shown in Table 5.1 below.

**Table 5.1: Cash In-Need Compared with Sources of Fund for 2016-17**

unit: THB million

Items	2016-1017
Cash in-need from operation (Table 4)	(656)
Source of fund in No. 4 expected to gain from PP	692
Cash flow reserve	36

However, the capital increase should meet the need to use the capital of each project. Therefore, the Company illustrates the capital use of each project by Gantt chart in Table 5 with details as follows:

- (1) Table 5.2.1 Rayong 1 Project;
- (2) Table 5.2.2 Hat Yai 2 Project;
- (3) Table 5.2.3 KPP Project;
- (4) Table 5.2.4 Green 2 Project;
- (5) Table 5.2.5 Green 3 Project.

In this regard, Tables 5.2.1-5.2.4 show the contents and constraints of the work of each project.

**Table 5.2.1: Gantt Chart of Capital Use for the Rayong 1 Project**

unit: THB million

No.	Items	2016				Total
		Q1/2016	Q2/2016	Q3/2016	Q4/2016	
1	Waste plastic recycling machine lines 1-6 for the amount of THB 459 million (paid up)					
	50% deposit of waste plastic recycling machine lines 7-12 for the amount of THB 80 million (paid up)					
2	The remaining 50% of waste plastic recycling machine lines 7-12		80			80
3	Electrical system for lines 7-12					0
3.1	Transformer 1 x 1500 kVA for lines 7-12		2			2
3.3	Transformer 2 x 2500 kVA for lines 7-12		5			5
3.4	High voltage electrical system		7			7
3.5	Low voltage electrical system		12			12
3.6	Lighting system		2			2
4	Mechanical system					0
4.1	Cooling system		8			8
4.2	Heat exchanger		7			7
4.3	Conveyor system		8			8
5	Wastewater and service water system		14			14
6	Machinery, vehicles					0
6.1	2 loaders		6			6
6.2	2 backhoes		6			6
7	Sorting system					0
7.1	Shredder		10			10
7.2	Trommel		4			4
7.3	Wind shifter		3			3
7.4	Spinner		2			2
7.5	Sorting line		4			4
7.6	Sattelite collector		2			2
8	Biodrying building		4			4
9	Power plant		14			14
10	Office building		2			2
11	Roads		6			6
12	Fence		1			1
13	Landscape		1			1
14	DCS and SCADA system		2			2
	Use of fund		212			212
	Source of fund		212	0	0	212

**Table 5.2.2: Gantt Chart of Capital Use for the Hat Yai 2 Project**

unit: THB million

No.	Items	2016				Total
		Q1/2016	Q2/2016	Q3/2016	Q4/2016	
1	50% deposit of waste plastic recycling machine lines 1-1 for the amount of THB 51 million (paid up)					0
2	Trommel machinery for THB 10 million (paid up)					0
3	Land grading, landfill, foundation piles for 1 rai of land for the amount of THB 10 million (paid up)					0
4	Electrical system for lines 1-3					0
4.1	Transformer 1 x 1500 kVA for lines 7-12		1.2			1.2
4.2	Transformer 2 x 2500 kVA for lines 7-12		1.5			1.5
4.3	High voltage electrical system		4.2			4.2
4.4	Low voltage electrical system		7.2			7.2
4.5	Lighting system		1.2			1.2
5	Mechanical system					0
5.1	Cooling system		4.8			4.8
5.2	Heat exchanger		4.2			20.1
5.3	Conveyor system		4.8			4.8
6	Wastewater and service water system		8.4			8.4
7	Machinery, vehicles					0
7.1	1 loader		3			3
7.2	1 backhoe		3			3
8	Sorting system					0
8.1	Shredder		5			5
8.2	Trommel		3			3
8.3	Sorting line		2.5			2.5
8.4	Sattelite collector		1.5			1.5
9	Biodrying building		4			4
10	Power plant		14			14
11	Office building		1.5			1.5
12	Roads		5			5
13	Fence		1			1
14	Landscape		1			1
15	DCS and SCADA system		4			4
	Use of fund		86			86
	Source of fund		86			86

**Table 5.2.3: Gantt Chart of Capital Use for the KPP Project**

unit: THB million

No.	Items	2016				2017				Total
		Q1/2016	Q2/2016	Q3/2016	Q4/2016	Q1/2017	Q2/2017	Q3/2017	Q4/2017	
1	Deposit of THB 40 million, paid since April 2015	0	0	0	0	0	0	0	0	0
2	40 rai of land, at 61/1 M.6 Landokmai, Mueang, Kamphaeng Phet	0	40	0	0	0	0	0	0	40
3	2 Anaerobic digester fermenting ponds, the size of 50x110x7 m <sup>2</sup>	0	0	40	47	0	0	0	0	87
4	Circulating Pump , pH control, Temp Control and Level Control, etc.	0	0	17		0	0	0	0	17
5	CO <sub>2</sub> Extractor (85% CH <sub>4</sub> )	0	22	30	25	20	0	0	0	97
6	H <sub>2</sub> S Removal (Bio Scrubber)	0	0	0	0	20	15	0	0	35
7	Hi-Pressure Compressor (250 Bar)	0	0	0	0	24	42	0	0	66
8	Buffer Tank	0	9	0	0	0	0	0	0	9
9	Waste Water Treatment System	0	0	0	17	0	0	0	0	17
10	Safety System	0	0	0	0	3	3	0	0	6
11	Composite Tanks (2,000 units)	0	0	0	0	0	14	0	0	14
	Use of fund	0	71	87	89	67	74	0	0	388
	Source of fund		71	87	89	67	74	0	0	388

**Table 5.2.4: Gantt Chart of Capital Use for the Green 2 Project**

unit: THB million

No.	Items	2016			
		Q1/2016	Q2/2016	Q3/2016	Q4/2016
1	Machinery Investments for the amount of THB 83 million (paid up)				
1.1	500 kW ImperialSINO I Gasifier + Engine + Filter				
1.2	Gasifier Burner				
1.3	Tar System				
1.4	Cooling pond				
1.5	Pipe line system				
1.6	Relocate fuel tank				
1.7	Rotary				
1.8	Wiring				
1.9	Fuel system				
1.10	Footing and Road Access				
1.11	Building & Roof for Demonstation (Building A)				
2	500 kW ImperialSINO II Gasifire Gas Engine	0	37	0	0
3	DCS Control	0	5	0	0
	Use of fund	0	42	0	0
	Source of fund	0	42	0	0

**Table 5.2.5: Gantt Chart of Capital Use for the Green 3 Project**

unit: THB million

No.	Items	2016				Total
		Q1/2016	Q2/2016	Q3/2016	Q4/2016	
1	EFB shredder (Bamboo)		2	0	0	2
2	Shredder (Lianda)		9	0	0	9
3	Hammer mills Shredder (Used)		0.6	0	0	0.6
4	Rotary dryer		20	0	0	20
5	Bio Scrubber system		1.8	0	0	1.8
6	Moving floor		5	0	0	5
7	Ventilation System		0.65	0	0	0.65
8	Main Power line and MDB		5	0	0	5
9	Belt conveyer		5	0	0	5
10	Front-End Scada & Instrument control		4	0	0	4
11	Bio-drying plant		0.85	0	0	0.85
12	Emission Control		20	0	0	20
	Use of fund		73.9	0	0	73.9
	Source of fund		73.9	0	0	73.9

**5. Conclusion**

Table 5 shows that the Company need to acquire the cash from the investment through the sales of shares via PP subscription for the amount of THB 692 million. If they were not allocated with such capital resulting from PP subscription, these projects will be affected significantly.





Enclosure II

**Particulars of the Issuance and Offer of Warrants to Purchase Ordinary Shares of The International Engineering Public Company Limited # 2 (IEC-W2) to Existing Shareholders**

**1. Particulars of the Securities**

**Selling party:** The International Engineering Public Company Limited (“the Company”) hereby would like to issue and offer to sell the warrants to purchase ordinary shares of the Company # 1 (IEC-W2) in an amount of not exceeding 40,679,084,250 units to be allotted and offered to the existing shareholders at a ratio of 5 existing shares to 1 unit of IEC-W2, free of charge. In this regard, the Company also allots new ordinary shares for capital increase of not exceeding 40,679,084,250 shares to accommodate the exercise right of warrants (IEC-W2).

**2. Particulars of the Warrants**

**Type of securities:** Warrant to purchase ordinary shares of the International Engineering Public Company Limited # 2 (IEC-W2)

**Type of warrants:** Registered and transferable warrant to purchase ordinary shares of the Company

**Allotment method:** Allotted to existing shareholders at a ratio of 5 (five) existing shares to 1 (one) unit of IEC-W2 (in the event where the fragments remain, decimals shall be rounded off), free of charge.

In this regard, the meeting of the Board of Directors No. 2/2016 on 11<sup>th</sup> March 2016 passed a resolution agreeing on the determination of the record date for the acquisition of the warrant (IEC-W2) on 9<sup>th</sup> May 2016, and the closing date of the Company’s share registry for existing shareholders to retain the right for warrant offering, according to Section 225 of the Securities and Exchange Act B.E. 2535 (1992) shall be on 10<sup>th</sup> May 2016.

**Offering price per unit:** THB 0.00 per unit (zero baht)

**Warrant issuing date:** The issuing date is expected to be later than 10<sup>th</sup> May 2016 which is the closing date of the Company’s share registry for existing shareholders to retain the right for warrant (IEC-W2) offering.

However, the right to acquire the allotment of the warrant (IEC-W2) is still tentative and shall be approved by the 2016 AGM prior to the official allotment.



- Total number of warrants:** Not exceeding 40,679,084,250 units (forty thousand six hundred and seventy nine million, eighty-four thousand, two hundred and fifty units)
- Number of ordinary share issued to accommodate the exercised warrants:** Not exceeding 40,679,084,250 shares (forty thousand six hundred and seventy nine million, eighty-four thousand, two hundred and fifty shares) with par value of THB 0.01 (one satang) each (accounted for 20 percent of the paid-up capital as of 11<sup>th</sup> March 2016)
- Term of IEC-W2:** 3 years (three years) following the date of issuance and offer of the warrants
- Date of issuance and offer of warrants:** Since the issuance follows the shareholding proportion of existing shareholders, it is deemed, *mutatis mutandis*, under the permission of SEC and in compliance with the rules and conditions prescribed in Chapter 2 of the Notification of the Capital Market Supervisory Board No. Tor. Jor. 34/2551 dated 15<sup>th</sup> December 2008.
- In this regard, the meeting of the Board of Directors No. 2/2016 on 11<sup>th</sup> March 2016 passed a resolution agreeing on the determination of the record date for the acquisition of the warrant (IEC-W2) on 9<sup>th</sup> May 2016, and the closing date of the Company's share registry for existing shareholders to retain the right for warrant offering, according to Section 225 of the Securities and Exchange Act B.E. 2535 (1992) shall be on 10<sup>th</sup> May 2016.
- Exercise ratio and exercise price:** 1 (one) unit of warrant (IEC-W2) will have the right to purchase 1 (one) new ordinary share at the fixed exercise price for each year with details as follows:
1. In the first year (from the date of issuance until end of the first year) the exercise price is THB 0.025 (zero point zero two five baht) per share;
  2. In the second year (from the end of the first year until end of the second year of the issuance) the exercise price is THB 0.035 (zero point zero three five baht) per share;
  3. In the third year (from the end of the second year until end of the third year of the issuance) the exercise price is THB 0.045 (zero point zero four five baht) per share.
- Exercise period:** Warrants can be exercised quarterly, i.e. within the last business day of end of March, June, September, and December each year, throughout the warrant term (exercise date), starting from the date of issuance, including the last business day of the end of the warrant (IEC-W2) term to be the last exercise day. In case



the exercise date appears to be a company holiday, such date will be adjourned to the previous business day.

Regarding this, the Company will announce the exercise period for each quarter to shareholders through SET bulletin to inform the warrant holders by the fifth business day of the ending month of such quarter (March, June, September, and December) through SET information system every quarter.

**End of exercised right:** When the warrants expire, the last exercise date shall follow the relevant rules and regulations governing such subject matter.

**Period of exercised right:** The warrant holders shall be entitled to exercise their rights upon the warrants to purchase the Company's ordinary shares according to the particulars in such warrants during the business hours of the Company, from 9:00 to 15:30 hours, within a period of 5 business days prior to the exercise date of each quarter and not less than 15 days prior to the last exercise date.

**Secondary market of the warrants:** The issued warrants will be listed as the Company's securities in The Stock Exchange of Thailand (the SET).

**Secondary market of the exercised shares:** The new ordinary shares for capital increase issued to accommodate warrant exercise will be listed the Company's securities in the SET.

**Adjustment of warrants:** In the event of any cause leading to change of right upon the warrants, according to the Notification of the Capital Market Supervisory Board No. Tor. Jor. 34/2551 re: Application and Approval on an Offer of Warrant to Purchase Newly-Issued Share and New Share to Accommodate Warrant Exercise, dated 15<sup>th</sup> December 2008 and its future addendum, the Board of Directors and/or its authorized person(s) shall review and determine relevant conditions and other details in relation to change of right upon the warrants or exercise ratio and exercise price amendment.

**Dilution effects:** Since IEC-W2 is issued and offered to existing shareholders of the Company according to the proportion of shareholding, existing shareholders will not be affected with the share of profits and control dilution.  
However, if a third party exercises his warrant to the fullest degree and amount, the proportion of existing shareholding may be diluted by not exceeding 16.67 percent of the number of shares currently held.



**Registrar:** The Thailand Securities Depository Company Limited

**Other conditions:** The Board of Directors is authorized: to determine and change the rules, conditions and other particulars pursuant to IEC-W2; to declare the cause of issuing new shares to accommodate change of exercise price and ratio as deem appropriate; to enter into, negotiate, agree and sign the relevant documents and contracts; to prepare and file requests and documents to the Securities and Exchange Commission, related government agencies, and/or any other person(s) involved, including the registration to list the warrants as securities with the SET in accordance with relevant law and regulations.

The Company shall not extend the warrant term nor amend the exercise ratio and price unless it is deemed expedient for adjustment of warrant in accord with the Notification of the Capital Market Supervisory Board No. Tor. Jor. 34/2551 re: Application and Approval on an Offer of Warrant to Purchase Newly-Issued Share and New Share to Accommodate Warrant Exercise, dated 15<sup>th</sup> December 2008 and its future addendum.