



PO No. 055/2017

16th May 2017

Subject: Notification of the Company waive of rights to purchase capital-increasing Nong Ree Power Plant's ordinary shares

To: President

The Stock Exchange of Thailand,

The Board of Directors' Meeting of The International Engineering Public Company Limited ("The Company") No. 10/2017 dated 16 May 2017 has resolved to approve the Company to waive the rights to purchase 250,000 increased capital ordinary shares of Nong Ree Power Plant Co, Ltd ("Nong Ree Power Plant") or 100.00% of the increased capital ordinary shares that Nong Ree Power Plant will present to the meeting of shareholders for approval in the 2nd quarter of 2017. The Company waived the rights to purchase capital-increasing Nong Ree Power Plant ordinary shares to STRR Engineering Co.,Ltd ("STRR"), the new co-investor.

Also, because the size of transaction is less than 15%, the Company therefore is not obliged to disclose the details to the SET according to the Notification by the Board of Governors of the SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E.2547 and is not deemed connected transaction pursuant to the Notifications of the Capital Market Supervisory Board No. TorJor 21/2551 Re: Criteria in Entering a Connected Transaction. The details of transaction are as follow:

1. Transaction date

The International Engineering Public Company Limited ("The Company") waived the rights to buy capital-increasing 250,000 ordinary shares of Nong Ree Power Plant Co, Ltd ("Nong Ree Power Plant) or 100.00% of the increased Nong Ree Power Plant's ordinary shares which will be presented to the meeting of shareholders for approval in the 2nd quarter of 2017.

2. Agreed party and their relationship

STRR Engineering Co.,Ltd ("STRR") has no whatsoever relationship nor is related to the Company pursuant to the Notifications of the Capital Market Supervisory Board No. TorJor 21/2551 Re: Criteria in Entering a Connected Transaction.

3. General information of transaction

Type and size of transaction: Deemed as Disposal of Assets with transaction size of less than 15% and therefore the Company is not obliged to disclose the details to the SET according to the Notification of the Board of Governors of the SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E.2547 .

Criteria used for consideration: Net Tangible Asset (NTA: Calculated from the waived increased ordinary shares in comparison to the net assets of the Company and its subsidiaries)



Size of transaction: The aforementioned Net Tangible Asset is 1.08% of the Company and its subsidiaries' net asset. (Calculated from the Company's consolidated financial statements as of 31 March 2016.)

In addition, this waive of the capital-increasing ordinary shares purchase rights is deemed disposal of assets, which when calculated from all transactions occurred during the past 6 months using highest value criteria which is Total Value of Consideration, is 12.82% of the Company and its subsidiaries' total asset which is under 15% according pursuant to the Notification of the Board of Governors of the SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E.2547 .

4. Details of disposed assets (the waived capital-increasing ordinary shares)

- 4.1 Type of asset : Capital-increasing ordinary shares of Nong Ree Power Plants Co, Ltd
- 4.2 Name of business : Nong Ree Power Plants Co, Ltd
- 4.3 Address : The power plant is located at 111, Nong Ree, Bo Phloi District, Kanchanaburi province
- 4.4 Nature of business : Construction of biogas power plant project with 3 MW. production capacity to produce and sell electricity to the Provincial Electricity Authority.
- 4.5 Registered capital (Before co-investment) : 50 million Baht
- 4.6 Company's shareholding (Before co-investment): 500,000 shares
- 4.7 Registered capital (After co-investment) : 75 million Baht
- 4.8 Company's shareholding (After co-investment): 500,000 shares
- 4.9 No. of shares the Company waived to STRR: 250,000 shares
- 4.10 Value per share : 100 Baht
- 4.11 Par value : 100 Baht
- 4.12 Shareholding structure of Nong Ree Power Plants Co, Ltd:

4.12.1 Shareholding structure of Nong Ree Power Plants Co, Ltd before STRR's investment

<u>Shareholder</u>	<u>No. of shares</u>	<u>% of shareholding</u>
1. The International Engineering Public Company Limited	500,000	100.00
Total	<u>500,000</u>	<u>100.00</u>

4.12.2 Shareholding structure of Nong Ree Power Plants Co, Ltd after STRR's investment

<u>Shareholder</u>	<u>No. of shares</u>	<u>% of shareholding</u>
1. The International Engineering Public Company Limited	500,000	66.67
2. STRR Engineering Co.,Ltd	<u>250,000</u>	<u>33.33</u>
Total	<u>750,000</u>	<u>100.00</u>



4.13 Shareholding after disposal of assets : 66.67%

4.14 Company's board

4.14.1 Nong Ree Power Plant's Board of Directors before STTR co-investment

Nong Ree Power Plant's Board of Directors consists of 3 Directors representing the Company.

4.14.2 Nong Ree Power Plant's Board of Directors after STTR co-investment

Nong Ree Power Plant's Board of Directors consists of 2 Directors representing the Company and 1 Director from STTR, amounting to 3 Directors in total.

5. Total Value of Disposed Assets (Increased Capital Ordinary shares waived)

The value of the disposed asset includes the value of capital-increasing ordinary shares the Company waived to purchase from Nong Ree Power Plant. The details are as follows:

Amount of ordinary shares waived	:	250,000 shares
Value of each capital-increasing ordinary share	:	100 Baht
Value of disposed assets	:	25,000,000 Baht

6. Criteria used in determination of value of disposed assets (Increased Capital Ordinary shares waived)

Nong Ree Power Plant Co, Ltd, the issuer or 250,000 capital-increasing ordinary shares will determine the appropriate price of share for the existing shareholders. The value per share is determined to be the same as the par value at 100 Baht per share.

7. Reason for disposal of assets and Company's expected benefit from disposal of assets (Increased Capital Ordinary shares waived)

The purpose of such capital increase is to seek a business partner with financial potential to co-invest in Nong Ree Power Plants business which is in need of additional investment. The Company deemed the proportion of investment after capital increase appropriate. Nong Ree Power Plants as a joint venture will also benefit from shareholders with potential in biogas power plant business. The Company therefore decided to waive the rights to purchase such capital-increasing ordinary shares to STTR.

8. Benefits or connected transaction between the Company and directors, management and shareholders directly or indirectly exceeding 10%

- None -

Please be informed accordingly,

Yours Sincerely,

(Lt. Dr. Suphornchai Siriwoharn)

Chief Executive Officer