



PO No. 091 / 2017

18 September 2017

Re: Borrowings from related individual

Attn: President  
The Stock Exchange of Thailand

The Board of Directors Meeting of The International Engineering Public Company Limited (“The Company”) No.20/2017 dated 18 September 2017 has approved the borrowing of 20 million Baht loan from Mr. Komol Jungrungrangkit (“The Lender”), the father of Mr. Pongkawin Jungrungrangkit, the Chairman and the Chief Executive Officer of the Company. This connected transaction, according to the Notification of Capital Market Supervisory Board TorChor 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions, 2003 (“Notification of the Board of Governors”) is defined as receipt of financial assistance. The value used to calculate the size of transaction is the value of the interest or benefits to be repaid to the connected person throughout the period of financial assistance with transaction size over 1 million but not exceeding 20 million Baht or more than 0.03% but no more than 3% of the Company’s net tangible assets, whichever is higher and according to the general trading conditions. The registered company, under the board’s permission hereby disclose the following details of transactions to the Stock Exchange of Thailand as follows:

**1. Transaction date**

The Company shall borrow 20 million Baht from the lender by the end of September 2017.

**2. Related Parties and Relations between parties**

Lender: Mr. Komol Jungrungrangkit (The father of Mr. Pongkawin Jungrungrangkit, Chairman and the Chief Executive Officer of the Company)



Borrower: The International Engineering Public Company Limited

Relation between both parties:

The Lender is a related person to the borrowing Company, whereby the Lender is the father of the Chairman and the Chief Executive Officer of the Company.

### 3. General characteristics of the transaction

This is a connected transaction according to the Notification of Capital Market Supervisory Board TorChor 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions, 2003 and is categorized as receipt of financial assistance. The value used to calculate the size of transaction is the value of the interest or benefits to be repaid to the connected person throughout the period of financial assistance with transaction size over 1 million but not exceeding 20 million Baht or more than 0.03% but no more than 3% of the Company's net tangible assets, whichever is higher. This must be approved by the Company's board and information must be disclosed to the Stock Exchange of Thailand.

### 4. Details of the transaction

Nature of financial assistance	: Financial borrowings from related person
Value of principle	: 20 million Baht
Rate of interest	: 5.00 % per year
Borrowing period	: The period is 1 year, whereby the Borrower will repay the principle and interest within 1 year. Should the Borrower be unable to repay the principle and interest to the Lender, both parties agreed to let the Borrower repay only the interest portion of the first year to Lender first, granting that the Lender agreed to extend the repayment period of principle and interest by one more year.



Basis for calculation of transaction size	: Value of interest that the Company must repay to the lender throughout the assistance period.  ( 1 year equals 1 million Baht)  ( 2 year equals 2 million Baht)
Proof of loan	: The Company shall issue a promissory note to the Lender as a proof of loan.
Security	: Both parties agreed to use the land owned by the Company according to the title deed no. 37924, 37925, 37926 and 51833 located at NongIrun, Ban Bueng District, Chonburi Province, totaling 4 plots of land at the total size of 119 Rai 2 Ngarn 26 square Wa to register as a security for the Lender at the mortgage limit of 20 million Baht.
Information of lands used as security	: (1) The total value of all 4 plots of land according to the Department of Lands' land registration for accounting period 2016 - 2019 is approximately 24.77 million Baht  (2) The 4 plots of land have book value as of the date of acquisition on 26 May 2015 is 156.22 million Baht.  (3) On 6 July 2016, Petchsiam Appraisal Co.,Ltd. an independent appraiser appraised the value of the 4 plots to be at 167.39 million Baht.
Other conditions	: - None -



## **5. Benefits from entering into the transaction**

The aforementioned borrowings shall be used as a working capital in order to enhance liquidity in the Company and its subsidiaries operations.

## **6. Stake holding director who is also the connected person**

During the discussion on the agenda regarding the loan in the Board of Directors Meeting No.20/2017 dated 18 September 2017, Mr.Pongkawin Jungrungruangkit, Chairman and the Chief Executive Officer did not cast his vote in the meeting.

## **7. Opinions of the Board of Directors**

The Board of Directors agreed that the transaction will help enhance the Company's liquidity in its operation, which will directly benefit the Company and therefore deemed expedient to approve the transaction.

## **8. Other relevant information**

During the 6 months prior to the agreement to this transaction from August 2017 on, specifically 18 August 2017, 24 August 2017 and 4 September 2017, Mr. Komol Jungrungruangkit, a connected person to the Company lended his cash to IEC Sakeo 1 (IEC SK1), which is the Company's full subsidiary for 5 million Baht each time (for 3 times, totaling 15 million Baht) to enhance IEC SK1's financial liquidity. Whereby IEC SK1 (Borrower) and Mr. Komol Jungrungruangkit (Lender) agreed to have a loan agreement to enhance IEC SK1's liquidity at the limit of no more than 15 million Baht, without guarantee at the interest rate of 5% per year. The terms of pyament is within 3 months from the date of each lending. Such transactions are deemed as a connected transaction according to the Notification of Capital Market Supervisory Board TorChor 21/2551 Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions, 2003 in the category of financial assistance. The value used to calculate the size of transaction is the value of the interest or benefits to be repaid to the connected person throughout the period of financial assistance with transaction size less than 1 million or less than 0.03% of the Company's net tangible assets, whichever is higher and is in accordance with general trading conditions. The company is allowed to conduct such transaction without having to notify the Stock Exchange of



Thailand but must disclose its connected transaction in its annual report based on the rule no.9 of the Notification of the Securities Exchange Commission (SEC).

Therefore, by including both transactions from No. 2 and 8 of this information letter, which happens within 6 months prior to the agreement into transaction with the same Lender, the size of transaction would be 1.19 million Baht (if calculated the latest transaction at 1 year) or 2.19 million Baht (if calculated the latest transaction at 2 year), both of which exceeds the transaction size of 1 million, but not over 20 million Baht or over 0.03% but not over 3% of the Company's net tangible assets, whichever is higher.

I hereby certified that the content is correct and accurate and the Company's board have resolved to approve the aforementioned transaction.

Yours sincerely,

( Mr. Pongkawin Jungrungrangkit )

Chief Executive Officer