



PO. No. 014/2016

25<sup>th</sup> March 2016

President

The Stock Exchange of Thailand

**Re: The Agenda Withdrawal of the Low-Value Offer for Sale of Shares to the PP and the Agenda Amendment of 2016 Ordinary Shareholders' Meeting (revised the Capital Increase Form)**

The Board Meeting of International Engineering Limited (PCL.) No. 3/2016, held on 25 March 2016, had made the resolution to approve the withdrawal of the agenda and to make allotment as well as offer for sale of the Company's new capital-increase ordinary shares in the number of 32,960,000,000 shares, with value set at 0.01 Baht (one Satang) per share, to 16 Private Placements (PPs) at the share's offering value of 0.012 Bath (zero point zero two one Baht), with the following reasons:

After the Company had disseminated the information on the proposal made to the Shareholders' Meeting to consider the increase of capital as well as to issue capital-increase ordinary shares to be allotted and offer for sale to the private placement (PP) through the on-line system of the Stock Exchange of Thailand. However, it has appeared that many minor shareholders of the Company had filed their complaints to the Securities and Exchange Commission that they had extremely disagreed with the Company's said proposal. The Company had thus reviewed the complaints and agreed that, in order not to cause dissention between the shareholders and to maintain their mutual benefits, it therefore had contacted the 16 PP subscribers and explained the concerns and complaints of the minor shareholders to them. And all these PPs had already considered and agreed that, for the sake of appropriateness and for the prevention of wider impact which might have been made to both the Company and all the minor shareholders, the Company had thus made its intention to cancel this offer to buy the PP's capital-increase shares. The Company therefore has to withdraw the agenda on this matter.

Furthermore, the Company would like to inform that even though the Company must withdraw the agenda on the PP's capital increase with the reasons stated above; this has not at all affected the Company financially. As the Company has received credit from Thanachart Bank Public Company Limited for 270 million baht recently and will receive more credit from other financial institutions in the near future.



With the results of the above-mentioned withdrawal, the Company thus has to revise the number of the amount of the registered capital to be increased as well as the Memorandum of Association (the registered capital) and the agenda of 2016 General Shareholders' Meeting, 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) Professor 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 406,790,842.50, adding to the current registered capital of THB 2,033,954,212.50, to be THB 2,440,745,055, by issuing 40,679,084,250 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 406,790,842.50, adding to the current registered capital of THB 2,033,954,212.50, to be at THB 2,440,745,055, by issuing 40,679,084,250 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 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 14: 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 15: Consider other subject matters (if any).

Please be informed accordingly.

Yours sincerely,

( Dr. Bhusana Preemanoch )

Chairman of the Board and Group President



(F53-4)

**Capital Increase Report Form****(Capital Decrease, Capital Increase, 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****11th March 2016**

(Data revision made on March 25, 2016 to accord with the resolution of the Board Meeting of International Engineering Limited (PCL.) No. 3/2016, held on March 25, 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 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. 3/2016 passed a resolution agreeing on the increase of the Company's registered capital by THB 406,790,842.50 , adding to the current registered capital of THB 2,033,954,212.50 , to be at THB 2,440,745,055 , by issuing 40,679,084,250 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	40,679,084,250	0.01	406,790,842.50
	Preferred	-	-	-
General Mandate	Ordinary	-	-	-
	Preferred	-	-	-



3. 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.

4. 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).

#### 5. Details of new share allotment.

Allotted to	Number of Shares/Units	Ratio (Existing : New)	Selling Price per Share (THB)	Subscription and Payment Period	Note
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.	

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

5.2 Number of unsubscribed shares: None

6. The scheduled date of the annual general meeting in request of approval for capital decrease, capital increase, share allotment through 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.

7. The request for approval of capital decrease, capital increase, share offering through 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).



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

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

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

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.

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

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

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

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

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

10.2 Other benefits: -none-

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

The allotment of warrants (IEC-W2) may cause a dilution effect on the existing shareholders as follows:

11.1 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.

11.2 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.

**12. 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 1month after the closing share registry for shareholders entitled for warrants (IEC-W2)
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

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