



PO No.086/2017

31 August 2017

Re: Appointment of additional directors, capital increase and schedule of EGM No.1/2017

To: President
Stock Exchange of Thailand

Enclosure: Capital increase report form (F53-4) with Attachment

The board of directors' meeting no.19/2017 dated 31 August 2017 of The International Engineering Public Company Limited came to the following resolutions:

1. Approved the appointment of 6 additional directors including:

- 2.1. Mr. Komol Jungrungruangkit
- 2.2. Mr. Dumrong Putiput
- 2.3. Mr. Sakda Srinivet
- 2.4. Mr. Pornthep Itsoponpan
- 2.5. Mr. Chatchawan Hasuwannakij
- 2.6. Mr. Apichet Paiboolpan

The decision will be presented to the EGM No.1/2017 for shareholders' consideration.

2. Approve the capital increase plan and allocation of newly issued capital increase ordinary shares to the existing shareholders as follow:

- 2.1 Approved the decrease of the Company's registered capital from 2,440,745,055 Baht to 2,440,661,250.76 Baht. This is due to the fact that when the Company allocated IEC-W2 Warrants to buy the Company's ordinary shares according to the resolution of the 2016 AGM on 25 April 2016, 40,670,703,826 units of IEC-W2 warrants were allocated but 8,380,424 units were left unsold.

The Board also considered and approved the amendment to section 4 of the Company's regarding registered capital to be in accordance with the capital decrease by cancelling the unsold shares. The decision will be presented to the EGM No.1/2017 for shareholders' consideration.

2.2 Approved the increase of the Company's registered capital by 2,035,915,023.50 Baht from 2,440,661,250.76 Baht originally to 4,476,576,274.26 Baht by issuing new 203,591,502,350 capital increase ordinary shares with par value of 0.01 Baht (1 Satang) each as well as consider an amendment to section of 4 of the Company's memorandum of association to be in accordance with the increase of registered capital.

The decision will be presented to the EGM No.1/2017 for approval.

2.3 Approve the allocation and offering of 203,591,502,350 ordinary shares at the par value of 0.01 Baht (1 Satang) each. The shares will be allocated and offered to the existing shareholders via Right Offerings (RO) at the subscription ratio of the of 1 existing share to 1 new ordinary share at the offering price of 0.0125 Baht / share (Zero point zero one two five Baht / share) to existing shareholders in the Company's share registration book.

- The Record Date to determine shareholder entitled for share subscription is on 1 November 2017.
- List of shareholders will be gathered in accordance with section 225 under the Securities and Exchange Act, B.E. 2535 by closing share registration book on 2 November 2017.
- Share subscription and payment period are scheduled from Thursday 23 November 2017 to Wednesday 29 November 2017 (Five business days) from 9.00 to 15.30.

The Company entitles all existing shareholders the right to subscribe new ordinary shares over their entitlements.

Amount of shares remaining from the allotment due to waiver of subscription or subscription under entitlement, all of the remaining shares due to right issues will be further allotted to the existing shareholders who place their intent to oversubscribe on pro rata basis and to be conducted in rounds until all shares are allotted. Should there still be any shares remaining from the allotment and offering above, the Company will decrease the share capital of the unsubscribed portion in the future.

Meanwhile, the Board of Directors or its authorized person(s) is empowered to review and determine details pertaining to the allotment. The empowerment extends to all details of share allotment, signatories of relevant documents, proper executions with respect to the issuance and sale of new shares, including listing of securities with the Stock Exchange of Thailand, and provision of information to the Securities Exchange Commission, the Stock Exchange of Thailand, Ministry of Commerce or other related authorities.

The decision will be presented to the EGM No.1/2017 for approval.

Remark: *As of 31 August 2017, the Company has registered capital of 2,035,915,023.50 Baht consisting of 203,591,502,350 fully paid-up share capitals.

At the end of August 2017, the Company allowed the holders of IEC-W2 warrants Period 6 (September 2017) to express their wishes to exercise their warrants from 22-28 September 2017 and schedule the exercise date to be on 29 September 2017 for IEC-W2 Period 6 at the price of 0.035 Baht (3 point five Satang) per share. If IEC-W2 warrant holders exercise their warrants during the aforementioned period, resulting in increase to the 2,035,915,023.50 Baht fully paid-up share capital to whatever amount, the Company will then increase registered capital and allots ordinary shares according to the amount of fully paid-up share capital of 203,591,502,350 shares plus ordinary shares resulting from exercise of IEC-W2 warrants Period 6 (September 2017) *mutatis mutandis*.

3.) Schedule the Extraordinary General Meeting of Shareholders No.1/2017 to be on Friday 20 October 2017 at 13.30 at Asia Hotel Bangkok, No.296 Phayathai Road, Ratchathewi, Bangkok 10400

4.) Fixing the Record Date (The date whereby shareholders eligible to attend EGM No.1/2017 are determined) to be on 25 September 2017 and list of shareholders. As required by section 225 of the Securities Exchange Act B.E.2535, eligible shareholder list shall be compiled by the closure of the company's share registration book as of 26 September 2017.

5.) Agendas of the EGM No. 1/2017 will be as follow:

Agenda 1 Review and approve the minutes of the Annual General Meeting No. 1/2017
(Rescheduled) dated 22 May 2017

Agenda 2 Consider and approve the decrease of registered capital of the 8,380,424
unsubscribed shares.

Agenda 3 Consider and approve an amendment to section 4 or the memorandum of association in
accordance with the cancellation of the unsubscribed shares

Agenda 4 Consider and approve the increase of share capital by 2,035,915,023.50 Baht from
2,440,661,250.76 to 4,476,576,274.26 Baht by issuing 203,591,502,350 new capital
increase ordinary shares at the par value of 0.01 Baht (One Satang) each.

Agenda 5 Consider and approve an amendment to section 4 or the memorandum of association in
accordance with the increase of 4,476,576,274.26 registered share capital.

Agenda 6 Consider and approve the allotment and offering of 203,591,502,350 new ordinary shares
at the par value of 0.01 Baht (One Satang) each via right offering (RO) at the subscription
ratio of 1 existing share to 1 new ordinary share at the offering price of 0.0125 Baht / share
(Zero point zero one two five Baht / share).

Agenda 7 Consider and approve the appointment of 6 additional directors.

Agenda 8 Other issues (if any)

Please be informed accordingly.

Yours sincerely,

(Mr. Pongkawin Jungrungrangkit)
Chairman / Chief of Executive Officer

Capital increase report form
(Capital decrease, capital increase and allotment of capital increase shares)

The International Engineering Public Company Limited

We The International Engineering Public Company Limited, hereby report on the resolution of board of directors meeting no.19/2017, held on 31 August 2017 from at 14.00 hours, relating to a capital increase/share allotment as follows:

1. Capital decrease

The board meeting passed a resolution approving the decrease of the company's registered capital from 2,440,745,055 Baht to 2,440,661,250.76 Baht by cancelling 8,380,424 unsubscribed shares due to the fact that when there was an allotment of warrants to subscribe the Company's ordinary shares no.2 (IEC-W2) according to the resolution of the 2016 AGM dated 25 April 2016, there were 40,670,703,826 units of warrants allotted but also 8,380,424 units of unsold IEC-W2 warrants.

2. Capital increase

The board meeting passed a resolution approving the increase of the company's registered capital by 2,035,915,023.50 Baht from 2,440,661,250.76 Baht to 4,476,576,274.26 Baht by issuing new 203,591,502,350 ordinary shares with a par value of 0.01 Baht (One Satang) each. Details of the each type of capital increase are:-

Type of capital increase	Type of share	Number of shares	Par value (Baht/share)	Total (Baht)
Specifying the purpose of utilizing proceeds	Ordinary	203,591,502,350	0.01	2,035,915,023.50
	Preferred	-	-	-
General mandate	Ordinary	-	-	-
	Preferred	-	-	-

As of 31 August 2017, the Company has registered capital of 2,440,745,055 Baht consisting of 2,035,915,023.50 fully paid-up share capital, 40,474,622,726 ordinary shares to accommodate IEC-W2 warrant exercise and 8,380,424 unsubscribed shares due to the fact that when the Company allocated IEC-W2 Warrants to buy the Company's ordinary shares according to the resolution of the 2016 AGM on 25 April 2016, 40,670,703,826 units of IEC-W2 warrants were allocated but 8,380,424 units were left unsubscribed.

Remark: *As of 31 August 2017, the Company has registered capital of 2,035,915,023.50 Baht consisting of 203,591,502,350 fully paid-up share capitals.

At the end of August 2017, the Company allowed the holders of IEC-W2 warrants Period 6 (September 2017) to express their wishes to exercise their warrants from 22-28 September 2017 and schedule the exercise date to be on 29 September 2017 for IEC-W2 Period 6 at the price of 0.035 Baht (3 point five Satang) per share. If IEC-W2 warrant holders exercise their warrants during the aforementioned period, resulting in increase

to the 2,035,915,023.50 Baht fully paid-up share capital to whatever amount, the Company will then increase registered capital and allots ordinary shares according to the amount of fully paid-up share capital of 203,591,502,350 shares plus ordinary shares resulting from exercise of IEC-W2 warrants Period 6 (September 2017) *mutatis mutandis*.

3. Allotment & offering of new shares:

The board meeting passed a resolution approving the increase of the company's registered capital from 2,035,915,023.50 Baht to 4,071,830,047 Baht by issuing 203,591,502,350 ordinary shares with a par value of 0.01 Baht each, totaling 2,035,915,023.50 Baht. Details of the of capital increase is:-

Capital increase ordinary shares: 203,591,502,350 shares

203,591,502,350 new ordinary shares will be allotted and offered at the par value of 0.01 Baht (One Satang) each via right offering (RO) to the existing shareholders in the Company's share registration book at the subscription ratio of 1 existing share to 1 new share at the offering price of 0.0125/ new share (Zero point zero one two five Baht / share) as per following conditions:

- The Record Date to determine shareholder entitled for share subscription is on 1 November 2017 .
- List of shareholders will be gathered in accordance with section 225 under the Securities and Exchange Act, B.E. 2535 by closing share registration book on 2 November 2017.
- Share subscription and payment period are scheduled from Thursday 23 November 2017 to Wednesday 29 January 2017) Five business days) between 9.00 to 15.30.

The company entitles all existing shareholders the right to subscribe new ordinary shares over their entitlements.

Amount of shares remaining from the allotment due to waiver of subscription or subscription under entitlement, all of the remaining shares due to right issues will be further allotted to the existing shareholders who place their intent to oversubscribe on pro rata basis and to be conducted in rounds until all shares are allotted. Should there be still any shares remaining from allotment and offering to the existing shareholders as mentioned above, the Company will then decrease registered capital of the unsold portions in the future.

Meanwhile, the board of directors or its authorized person(s) is empowered to review and determine details pertaining to the allotment. The empowerment extends to all details of share allotment, signatories of relevant documents, proper executions with respect to the issuance and sale of new shares, including listing of securities with the Stock Exchange of Thailand, and provision of information to the Securities Exchange Commission, the Stock Exchange of Thailand, Ministry of Commerce or other related authorities.

4. Details of allotments

Allotted to	Number of shares / Unit	Ratio (Old : New)	Sale price (Baht)	Subscription and payment period	Note
<u>Ordinary share</u> (1) Allot & offer to existing shareholders	203,591,502,350	1 : 1	0.0125	Thursday 23 November 2017 to Wednesday 29 November 2017 (Five business days) from 9.00 to 15.30.	-

4.1 The Company's plan in case there is a fraction of shares remaining -None-

5. Schedule for a shareholders' meeting to approve the capital increase/allotment

The extraordinary meeting of shareholders no. 1/2017 (EGM No.1/2017) is scheduled to be held on Thursday 20 October 2017 at 13.30 at Asia Hotel Bangkok, No.296 Phayathai Road, Ratchathewi, Bangkok 10400. The record date (whereby shareholders eligible to attend EGM No.1/2017 are determined) is scheduled to be on Monday 25 September 2017. Also, 26 September 2017 will be the book-closing date on which the shareholder list as specified in section 225 of the Security Act shall be complied.

6. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)

- (1) Ministry of Commerce: to register capital decrease, capital increase, register fully paid-up share capital and amend memorandum of association.
- (2) SET: to request for approval in listing new ordinary share as securities in SET.

7. Objectives of the capital increase and plans for utilizing proceeds received from the capital increase

To be used in the Company's projects. The details are indicated in the Attachment enclosed with this capital increase report form. *(Please consider in accordance with the Attachment.)*

8. Benefits which the Company will receive from the capital increase/share allotment:

- (1) Increase working capital for Company's business operations.
- (2) Strengthen capital structure of the Company to accommodate business expansion.
- (3) Reduce financial burdens from liabilities with high finance costs, reducing operation expenses.

9. Benefits which shareholders will receive from the capital increase/share allotment:

9.1 Dividend policy

Shareholders will receive benefits in the form of dividend, which depends on the operating results of the Company.

9.2 Create values for the organization and shares held by the holders

9.3 Others:

-None-

10. Other details necessary for shareholders to approve the re-allotment of shares into Right Offering:

Renewable energy is a reliable and sustainable business with vigorous investments and high growth potential. As one of the private sector-invested businesses that are supported by the government, this capital increase will allow the Company to grow on a secure foundation and not missing out business opportunities.

11. Schedule of action if the board of directors passes a resolution approving the capital increase or allotment of new shares:

Procedures	Schedule
Board of directors' meeting No. 19/2017	31 August 2017
Schedule Record Date to determine shareholder entitled for EGM attendance	25 September 2017
Gather shareholder list by closing share register for XM rights	26 September 2017
Extraordinary General Meeting No. 1/2017	20 October 2017
Schedule Record Date to determine shareholder entitled for share subscription via Right Offering	1 November 2017
Gather shareholder list by closing share register for Right Offering	2 November 2017
Right Offering share subscription and payment period	23-24,27-29 November 2017
Registration of paid-up capital increase via Right Offering	Within 14 days after the closing subscription via Right Offering

The Company hereby certifies that the information contained in this report form is true and complete in all respects.

(Mr. Pongkawin Jungrunruangkit)
Chairman / Chief of Executive Officer

**Issuance of capital increase shares for the Company's operation has the following
source of capital:**

1. Source of capital increase is from capital increase shares allotment of 203,591,502,350 shares or 2,544 million Baht which is in progress

The Company plans to use 2,544 million Baht as shown in Table 1 below:

Table 1 Summary of the source of capital and capital usage

Source of capital		Capital usage	
Transactions	Amount (Million Baht)	Transactions	Amount (Million Baht)
Capital increase	2,544	Capital usage*	2,343
Financial institution borrowings	-	Working Capital	201
Total (Million Baht)	2,544		2,544

*Details of projects and plans for capital can be found in Table 2

Table 2 Objectives for proceeds from capital increase

1. The International Engineering Public Company Limited

1.1. Plastic Pellet Recycling Business Unit

- Settle debts & financial obligations 20,000,000.00 Baht
- Improve machineries to upgrade production capacity 40,000,000.00 Baht
- Develop the business to foster growth

1.2. Information and Communication Technology Business Unit

- Project bidding reserve (bank guarantee) 20,000,000.00 Baht
- Develop the business to foster further growth

2. Gidec Co., Ltd.

Municipal Solid Waste (MSW) Power Plant Business Unit

- Settle debts & financial obligations 20,000,000.00 Baht
- Improve machineries to upgrade 2017 production capacity 23,500,000.00 Baht
- Improve machineries to upgrade 2018 production capacity 50,000,000.00 Baht

3. IEC Sakaeo 1 Co., Ltd.

Biomass Power Plant Business Unit

- Settle debts & financial obligations 15,000,000.00 Baht
 - Improve machineries to upgrade 2017 production capacity 7,500,000.00 Baht
 - Improve machineries to upgrade 2018 production capacity 30,000,000.00 Baht
- (Security of feedstock supply)

4. IEC Mae Tha Mae Taeng Co., Ltd.

Solar Power Plant Business Unit

- Improve machineries to upgrade 2017 production capacity 12,000,000.00 Baht

5. IEC Nongri Co., Ltd.

Bio-Gas Power Plant Business Unit

- 2017 machineries improvement obligations 110,000,000.00 Baht
- Materials reserve 20,000,000.00 Unit

6. Projects for business development/growth

6.1. Suphanburi Biomass Power Plant Project 750,000,000.00 Baht

- Acquisition from its current owner has production capacity of 9 MW and has maximum distribution of power into public energy grid according to the power purchase agreement with PEA at 8 MW.

6.2. Waste-to-fuel Project 165,000,000.00 Baht

- 3 Production units with 10 tons of production capacity each in order to make use of leftover plastic wastes from plastic pellet

6.3. Waste-to-energy Power Plant Project 740,000,000.00 Baht

- Participate in the government's Quick Win incinerator power plant policy
- Aim to participate in government's Quick Win project by increasing waste-to-energy production capacity by 10-20 MW from overall target of 140 MW

6.4. Solar PV Rooftop Project 120,000,000.00 Baht

- Project development at 5 locations, 1MW each

7. Reservation for new Renewable Energy projects

(Reservation for new Renewable Energy projects) 200,000,000.00 Baht

Total capital increase funds: 2,343,000,000.00 Baht