

IEC

since 1922

รายงานประจำปี 2556
Annual Report 2013



บริษัท อินเทอร์เน็ตเนชั่นเนลเอนจิเนียริง จำกัด (มหาชน)
The International Engineering Public Company Limited



บริษัท อินเทอร์เน็ตเอ็นจิเนียริ่ง จำกัด (มหาชน)
The International Engineering Public Company Limited

Message from the Board of Directors

In 2013, IEC continued to realize organizational and business restructuring policies to respond with its business plan where ICT and Renewable energy are highly concentrated. The company has generated electricity to the Provincial Electricity Authority from the two projects which are the solar power plant in Lamphun province with production capacity at 2 MW and in Tak province with production capacity at 6.3 MW. The other two projects which are the 2 MW solar power plant in Chiangmai province and the 6.7 MW Municipality Solid Waste Power Plant in Songkha province are expected to generate electricity within the second quarter of 2014.

The company restructured the debt according to the debt restructuring contract, resulting in profit from the contract with the amount of THB 316.37 million. Furthermore, the company continuously improves the organizational efficiency resulting in 29.98% decreasing of administrative and selling expenses, comparing to 2012.

The Board of Directors set high expectations for the bygone year that the efforts of improving organizational and business structure would enhance IEC Group a sustainable revenue capacity and a promising future performance, as well as satisfactory return on investments for our valued shareholders and investors. IEC Group will keep striving to create sustainable benefits for our social environment and community.



(Dr. Bhusana Premanode)
Chairman of the Board



(Dr. Attawooth Laohapakdee)
Acting President

Board of Directors

Lt. Somsak Yamasamit



Title Honorary Chairman

Age 76

Education:

- National Defense College of Thailand
- Bachelor's Degree in Business Administration, Utah State University, USA
- Thai Institute of Directors - DAP in 2005
- Role of Chairman Program (RCP) (Class18)in 2008

Work Experience:

2005-Present	Chairman, Multi Risks Consultant (Thailand) Ltd.
2002-Present	Chairman, Asian Capital & Consultant Co., Ltd.
2005-2011	Chairman, Sino-Thai Resources Development PCL

Dr. Bhusana Premanode



Title Chairman

Age 59

Education:

- Ph.D. in Financial Engineering, Imperial College London, UK
- Ph.D. in Biomedical Engineering, Imperial College, University of London, UK
- DBA in Finance Management, Somerset University, UK
- MM, Sasin of Chulalongkorn University, Thailand

Work Experience:

Present	Chairman, Institute of Social and Economic Policy(ISEP), Thailand
Present	Chairman, Hand in Hand Foundation
Present	Advisory Board, PTT Exploration and Production Public Company Limited
Present	Visiting Professor, Centre of Bio-Inspired Technology, Imperial College London



Mrs. Sunjutha Witchawut

Title Vice Chairman/ Executive Chairman

Age 53

Education:

- Master's Degree in Economics, University of Thai Chamber of Commerce
- Bachelor's Degree in Science, Prince of Songkhla University
- Thai Institute of Directors – DAP in 2006

Work Experience:

- 2009- Present Advisor, The Committee for Land, Natural Resources and Environment, the Parliament
- 2006-2008 Executive Chairman, Bliss-Tel Public Company Limited
- 2006-2007 Director, Adkinson Securities PCL
- 2003-2005 Advisor, to the Subcommittee for Higher Education, the Parliament



Dr. Attawooth Laohapakdee

Title Director / Acting President

Age 48

Education:

- Doctor of Public Administration, NIDA
- MBA (Finance), NIDA
- Bachelor of Engineering King Mongkut's Institute of Technology
- Thai Institute of Directors- DAP in 2011

Work Experience:

- Sep.2013-Present Director, IEC Technology Co.,Ltd.
- 2011-2013 Director, Bliss-Tel Public Company Limited
- 2010-2011 Director, The International Engineering Company Limited

Mr.Sutee Phongpaiboon



Title Chairman of the Audit Committee / Independent Director

Age 49

Education:

- Bachelor's of Law, Ramkhamhaeng University
- Thai Institute of Directors – DAP in 2007

Work Experience:

- 1999-Present Chief of Lawyers, Sutee Phonpaiboon Law Office
2009-2011 Chairman of the Audit Committee, Power-P Public Company Limited

Lt. Dr. Supornchai Siriwoharn



Title Member of the Audit Committee / Independent Director

Age 64

Education:

- Doctor of Philosophy (Outstanding in Leadership & Human Behavior), School of Human Behavior, Department of Psychology, College of Arts and Sciences, United States International University, San Diego, California, USA.
- Master's Degree (Distinguished Honor) in Public Administration, Majoring in Public Policy and Project Management, Faculty of Public Administration, NIDA

Work Experience:

- 2004-Present Vice Chairman, Institute of Social and Economic Policy (ISEP)
2006-Present Visiting Lecturer, Ph.D. Program in Public Administration, Western University
2008-Present Visiting Lecturer, Ph.D. Program in Public Administration,
Chaingmai Rajabhat University
2007 Advisor, Industrial and Tourism Sub-committee, National Legislative Council



Mr. Pracheerd Sook-kaew

Title Member of the Audit Committee / Independent Director
Age 66

Education:

- National Defense College of Thailand, Class 42
- Ph.D. (Honorary) in Agricultural Engineering, Maejo University
- Bachelor's Degree (Electrical Power), Faculty of Engineering, Chulalongkorn University
- Thai Institute of Directors-DCP in 2010

Work Experience:

Aug.-Oct. 2012 Director, Bliss-tel Public Company Limited
2006-2008 Member of National Legislative Council, The Parliament
2005-2007 Governor, Provincial Electricity Authority (PEA)



Lt. JG Yuthana Sivaraks

Title Member of the Audit Committee / Independent Director
Age 48

Education:

- LL.M. with Specialization in International Law, Trade and Finance ,Tulane University, USA
- LL.M. in Comparative Law, Pennsylvania State University, USA
- LL.B. Thammasat University
- Thai Institute of Directors- DAP in 2008

Work Experience:

2004-Present Legal Advisor and Partner, Baker & McKenzie
2008-Present Central Land sub-Division Committee, Interior Ministry
2002-2006 Legal Committee of the King Prajadhipok's Institute

Board of Directors



Prof.Dr. Pairote Sattayatham

Title Member of the Audit Committee / Independent Director

Age 62

Education:

- Ph.D. (Mathematics), Chulalongkorn University
- M.Sc.(Mathematics), Chulalongkorn University

Work Experience:

2007-2010 Deputy Director, Suranaree University of technology

V i s i o n

IEC's Vision is to be a leading technology company delivering uncompromising services to enhance the livelihood of the community it serves.

M i s s i o n

IEC's Mission is to deliver superior returns and value to its shareholders and stakeholders by collaborating with technology partners in the areas of Information, Renewable Energy and Communication.

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General Information and Other References

History

IEC was established in 1922 with the objective to construct the Bangkok-Aranyaprathet Railway, for the first time ever connecting Thailand to the Cambodian border. This project also marked the first time in Thai history that Caterpillar tractors were introduced to the construction industry. IEC later registered as a Thai national company in 1953 with a registered capital of THB 10 million. In 1965, IEC was appointed as a "Royal Appointment" company. In 1983, Siam Cement PCL foresaw the potential company growth for IEC, invested and took full control of IEC operations; IEC accordingly became an affiliate of the Siam Cement Group. In 1990, Siam Cement Group changed its investment policy, prompting IEC's management to invest in itself. Joined by a group of additional investors, IEC management increased the registered capital to THB 120 million. In 1992, the company was listed in the Communication Sector of the Thai Stock Exchange, a year later becoming a public limited company.

At the present, IEC is incorporated principal activities which are Solution System of Information Technology Business, Telecommunication Business and Renewable Energy for example, solar power plants and solid waste power plants.

Address: 408/37 Phaholyothin Place 9th Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok

Company Registration: 0107536000323 (Formerly Bor Mor Jor No. 106)

Home Page: <http://www.iec.co.th>

Telephone: (0) 2619-0199

Facsimile: (0) 2619-0019

Registered Capital: 16,206,440,000 baht (as of 1st January 2014)

Paid Up Capital: 12,002,008,000 baht (as of 1st January 2014)

Securities Registrar

Thailand Securities Depository Company Limited

Address: located at 62 The Stock Exchange of Thailand Building, Rachadapisek Road, Bangkok 10110

Telephone: (0) 2229-2800

Facsimile: (0) 2359-1259

Auditor

Auditor Name: Ms. Maliwan Pahuwatanakorn

Registered No: 4701

NPS Siam Audit Limited

Address: 555/5-6, 5th Floor SSP Tower, Sukumvit 63 (Ekamai) Sukumvit Road Klongton Nua, Wattana, Bangkok 10110

Telephone: (0) 2711-5300

Facsimile: (0) 2711-5866

Capital Structure

Shareholders

Top ten major shareholders as of January 1, 2014 are as follow:

Shareholder	Number of Shares	% Holding
1. Mr. Worapat Witchawut	5,798,000,000	4.831
2. Mr. Tidshun Nanawarathorn	5,000,000,000	4.166
3. Mrs. Utsanee kamolsantisuk	4,063,700,000	3.386
4. Thai NVDR Co.,Ltd.	2,256,782,286	1.880
5. Mr. Bhusana Premanode	2,000,000,024	1.666
6. Mr. Jarad Assawateerathum	1,312,000,000	1.093
7. Mr. Sinchok Piriyothaisakun	1,136,208,900	0.947
8. Mr. Santichai Wanasrisun	1,020,999,999	0.851
9. Mr. Piyapong Wongyara	850,000,000	0.708
10. Ms.Wiyada Itthiwithayathorn	809,550,304	0.675

The Dividend Policy

- The Company's Policy: Payment of dividends must have no impact to the normal operation of the Company. The Company shall distribute no less than 70 % but not over 90 % of its net profit after deducting tax.
- - Subsidiaries' Policy: -Not Fix-

Management Structure

Board of Directors

The Board of Directors is authorized to manage the company according to the company's objectives and Articles of Association as follows:

1. The Board of Directors is to convene meetings at least once every quarter.
2. The Board of Directors is authorized to issue rules and regulations pursuant to the company's objectives.
3. The Board of Directors is required to call a shareholder meeting, recognized as the annual general meeting.
4. The Board of Directors ensures the balance sheet and the profit and loss statements, as at the ending date of the accounting year, presented for shareholder's approval in the annual general meeting.
5. The Board of Directors may appoint any person(s) to conduct the company's business under supervision of the Board.
6. The Board of Directors is entitled to receive remuneration in performance of its duties.
7. Director is not allowed to conduct, become partner or shareholder to any juristic person of similar nature or in competitive manner against the company, unless he or she has given notice to the shareholder meeting prior to the resolution regarding his or her appointment.

Board Composition and Nomination

Board members and management of the company are qualified according to Clause 68 under Public Company Act, 2535 B.E. (1992) and the Notification of the Capital Market Supervisory Board Tor Jor 24/2552 Re: Requirements for Directors and Executives of Securities-Issuing Companies dated July 20, 2009.

List of the Board of Directors as of January 1, 2014 is as follows

	Name	Title
1.	Lt. Somsak Yamasmit	Honorary Chairman
2.	Dr. Bhusana Premanode	Chairman
3.	Mrs. Sunjutha Witchawut	Director/Vice Chairman/ Executive Chairman
4.	Dr. Attawooth Laohapakdee	Director/ Acting President
5.	Mr. Sutee Phongpaiboon	Director/(Independent Director)/ Chairman of Audit Committee
6.	Lt. Dr. Suphornchai Siriwoharn	Director/(Independent Director)/ Member of Audit Committee
7.	Mr. Pracherd Sook-kaew	Director/(Independent Director)/ Member of Audit Committee
8.	Lt. JG Yuthana Sivaraks	Director/(Independent Director)/
9.	Prof.Dr. Pairote Sattayatham	Director/(Independent Director)/

To bind the company, two directors sign and affixing company seal,
Ms. Ammaraporn Dechakaisaya serves as the corporate secretary in accordance with Clause 89/15 under Securities and Exchange Act B.E. 2535.

Board of Directors' Meetings

The Board of Directors schedules meetings at least every 3 months, and extra meetings may be convened as deem necessary. The agenda is set out clearly in advance to the meeting, including continued agenda to follow up operating results. The secretary's office sends a notice of invitation enclosing order of agenda and meeting archives in advance to ensure the directors sufficient time to review the archives prior to meeting. The minutes of meetings is taken in writing, certified by the Chairman or Chairman-appointed director, and made promptly available for verification by the Board or related parties. In 2013, there were two director retired, and one three entry. There were totally 17 meetings convened with the presence of directors as per following details:

List of Directors

Name	No. of Presences / No. of Meetings
Lt. Somsak Yamasmit	12/17
Dr. Bhusana Premanode	6/7
Mrs. Sunjutha Witchawut	15/17
Dr. Attawooth Laohapakdee	10/10
Mr. Sutee Phongpaiboon	16/17
Lt. Dr. Suphornchai Siriwoharn	17/17
Mr. Pracherd Sook-kaew	17/17
Lt. JG Yuthana Sivaraks	13/17
Prof.Dr. Pairote Sattayatham	12/12
Dr. Jitkasame Ngarmnil	7/10
Dr. Dhanabhat Suwannakum	7/7

Remark :

Dr. Bhusana Premanode	Approved Appointment as Director From 26 August 2013
Dr. Attawooth Laohapakdee	Approved Appointment as Director From 26 June 2013
Prof.Dr. Pairote Sattayatham	Approved Appointment as Director From 13 May 2013
Dr. Jitkasame Ngarmnil	Regisned from Director from 23 August 2013
Dr. Dhanabhat Suwannakum	Regisned from Director from 26 June 2013

Executives

List of the Executives as of January 1, 2014 is as follows

Name	Title
1. Dr. Attawooth Laohapakdee	Senior Executive Vice President, Accounting and Financial Division And Acting President
2. Mr. Somchai Lertwisettheerakul	Senior Executive Vice President, Special Project Department
3. Mr. Ekkamol Emradee	Senior Executive Vice President, Legal Division
4. Mr. Surapoom Somwangthanaroj	Executive Vice President, Office of CEO
5. Mrs. Narumol Chattawan	Senior Vice President , Accounting and Financial Division
6. Mr.Chanchai Khemwichien	Senior Vice President , Information System Division

Criminal Record

None of the members of the boards and executives of the company have been discharged, dismissed, terminated or have been prosecuted due to corrupted act or bankruptcy or have been sentenced for imprisonment, or have had any disputes or trials during the past ten years.

Approved by The Board of Directors No.1/2014

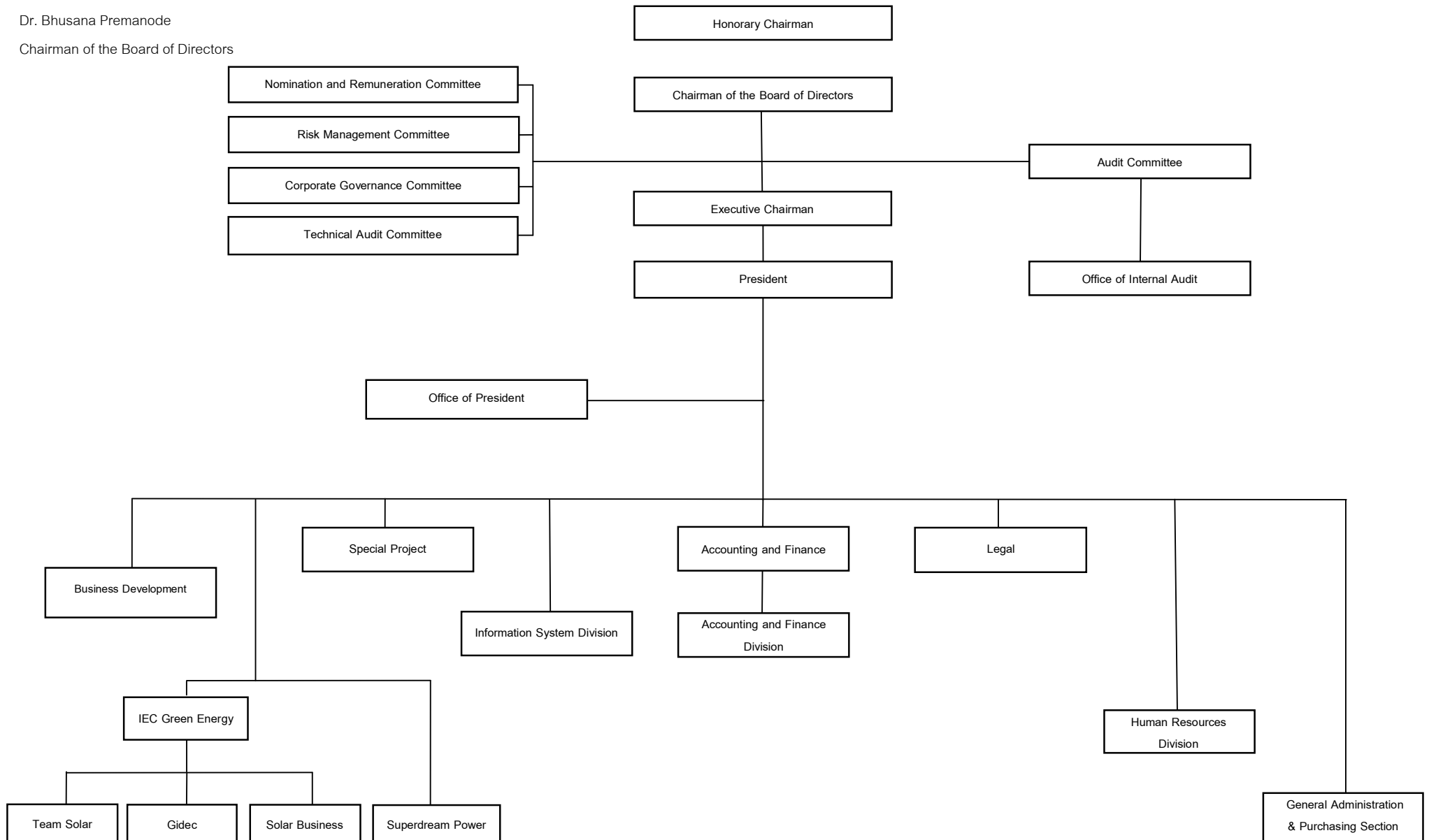
Effective Date : January 15, 2014

Dr. Bhusana Premanode

Chairman of the Board of Directors

The International Engineering Public Co., Ltd.

Organization Structure



Remuneration for Directors and Management

(1) Pecuniary Remuneration ***

Pecuniary remuneration for Board of Directors, Executive Board and Management in 2013 consisted of THB 21.20 million in salaries and meeting allowances, classified as follow:

1. In 2013, entries and exits of directors took place variably. Total number of directors in 2013 was recorded at 11 persons. Meeting allowances of the nine directors which include members of the Audit Committee were accounted for THB 2.81 million as per following details

Meeting Allowances Accounted under Board of Directors and Audit Committee in 2013

No	Name-Surname	Title	As Member of Board of Directors	As Member of Audit Committee
1.	Lt. Somsak Yamasmit	Honorary Chairman	420,000	-
2.	Dr. Bhusana Premanode	Chairman	200,000	-
3.	Mrs. Sunjutha Witchawut	Director/Vice Chairman /Executive Chairman	480,000	-
4.	Dr. Attawooth Laohapakdee	Director/ Acting President	70,000	-
5.	Mr. Sutee Phongpaiboon	Director / (Indepent Director)/ Chairman of Audit Committee	240,000	120,000
6.	Lt. Dr. Suphornchai Siriwoharn	Director/(Independent Director)/ Member of Audit Committee	240,000	60,000
7.	Mr. Pracherd Sook-kaew	Director/(Independent Director)/ Member of Audit Committee	240,000	60,000
8.	Lt. JG Yuthana Sivaraks	Director/(Independent Director)/	240,000	-
9.	Prof.Dr. Pairote Sattayatham	Director/(Independent Director)/	140,000	-
10.	Dr. Jitkasame Ngarmnil	Director/ Formerly President	180,000	-
11.	Dr. Dhanabhat Suwannakum	Formerly Director	120,000	-

Since March 2009, the Company cut off 50% meeting allowances on each Board, as a result, the meeting allowances is detailed as follow:

Meeting allowances of Board of Directors

- Chairman	THB 35,000	per month
- Vice Chairman	THB 25,000	per month
- Director	THB 20,000	per month

Meeting allowances of Executive Board

- Executive Chairman	THB 15,000	per month
- Executive Director	THB 10,000	per month

Meeting allowances of Audit Committee

- Chairman of Audit Committee	THB 10,000	per month
- Member of Audit Committee	THB 5,000	per month

Meeting allowances of Risk Management Committee

- Chairman of Risk Management Committee	THB 10,000	per month
- Member of Risk Management Committee	THB 5,000	per month

Meeting allowances of Management and Corporate Governance Committee

- Chairman of Management and Corporate Governance Committee	THB 15,000	per month
- Member of Management and Corporate Governance Committee	THB 10,000	per month

Meeting allowances of Composition and Nomination Committee

- Chairman of Composition and Nomination Committee	THB 15,000	per month
- Member of Composition and Nomination Committee	THB 10,000	per month

2. Executive Directors and the management were remunerated THB 18.39 million.

Note: *** In 2012, meeting allowances of directors were THB 2.24 million, and remunerations for the Executive Board and the management were THB 15.11 million, totally amounting THB 17.35 million.

(2) Other Remunerations

-None-

Employees

- As of 1 January 2014, the total number of employees has 55 persons.
- The Company has stressed on the policy of the remuneration and employee benefits in accordance with duties and performances of employees. In addition, the remuneration must accord to the economy circumstance and the Company's profit. The remuneration is divided into 4 following categories.
 1. Salary: The Company defines the salary rate in accordance with duties and responsibilities of pay structure of the Company.
 2. Commission: The Company determines to pay commission for sales section which is adequate and fair, in order to stimulate sales.
 3. Other allowances: The Company has managed the employees' allowances as follow:
 - 3.1 Social welfare: The Company provides social welfare following to the labor laws covering 7 cases which are illness, childbirth, disability, death, child welfare, old age, and unemployed, including providing compensation funds for employees who suffer illness from working under the Company.
 - 3.2 Provident Funds: This supports employees for saving. The Company shall deduct 3% of the monthly salary and put on this 3% in donating
 - 3.3 Medical Fee: The Company registered health insurance as social welfare for medical fee of employees, the rate of funds accords to employee's position and ages
 - 3.4 Group Personnel Accident Insurance: The Company registered Group Personnel Accident insurance for employees which the insurance pay rate depending on their positions.
 - 3.5 Funeral Allowance: If employees or employees' relatives die, the Company shall help for the funeral payment.
 - 3.6 Purchasing Products of the Company: Employees are able to purchase the Company's product with special prices.
 4. Bonus: The Company shall pay annual bonus by considering from employees' performances, however, the bonus depends on the Company's profit.
- The Company concerns that employees are the most valuable resources of the organization, therefore, focusing on employee development since the recruitment, also provides activities, such as arranging the orientation, training, job study, job rotation and offer opportunities of promotions to all employees.

Corporate Governance

The Sub-Committees

The company constituted the 7 following boards:

1. Executive Board
2. Audit Committee
3. Nomination Committee
4. Remuneration Committee
5. Risk Management Committee
6. Corporate Governance Committee
7. Technical Audit Committee

Technical Audit Committee is one of the Company's Sub-Committees established to carry out missions according to their authorized objectives and scope of power and duties without receiving any kinds of benefit or remuneration.

1. Executive Board

Powers and Duties of the Executive Board

The Executive Board is authorized to conduct activities as empowered by the Board of Directors according to the objectives and article of associations

List of the Executive Board as of January 1, 2014 is as follows:

	Name	Title
1.	Mrs. Sunjutha Witchawut	Executive Chairman
2.	Dr. Attawooth Laohapakdee	Acting President
3.	Mr. Somchai Lertwisettheerakul	Executive Director

2. Audit Committee

Powers and Duties of the Audit Board

The Audit Committee of the company is authorized the scope of duties and responsibilities, and required to report to the Board of Directors as follows:

1. To review and ensure the company contains accurate and adequate financial reporting;
2. To review and ensure the company contains suitable and efficient internal control and audit;
3. To review and ensure the practices performed by the Company is in compliance with the securities and exchange law, and the regulations of the Stock Exchange of Thailand or relevant laws relating to the company's business;
4. To consider, nominate and recommend remuneration scheme of the company's auditor;
5. To ensure accurate and complete disclosure of company's information relating to connected or conflict-of-interest transaction;
6. To produce an Audit Committee Report as part of the company's annual report;
7. To perform any other duties as may be assigned by the Board of Directors under the Audit Committee's prior consent

List of the Audit Committee as of January 1, 2014 is as follows:

	Name	Title
1.	Mr. Sutee Phongpaiboon	Chairman
2.	Lt. Dr. Suphornchai Siriwoharn	Member of the Audit Committee
3.	Mr. Pracherd Sook-kaew	Member of the Audit Committee

3. Nomination Committee

Powers and Duties of the Nomination Committee

The Nomination Committee is authorized the scope of duties and responsibilities, and required to report to the Board of Directors as follows:

1. To consider criteria and procedures in selection of person(s) qualified to assume the office of director
2. To determine qualifications of director(s) under selection in writing or set out nomination practices and guidelines
3. To consider the extent of correctness and completeness of qualifications of the candidate(s) nominated as director
4. To audit and filtrate the nominated candidate(s) to ensure their qualifications are compliant to legal and governmental requirements
5. To nominate person(s) in accordance with nomination procedures, and to submit opinions to the Board of Directors who shall further propose for appointment approval by the general meeting of shareholder.
6. By agreement of the Nomination Committee, to perform any other duties as may be assigned by the Board of Directors

List of the Nomination Committee as of January 1, 2014 is as follows:

	Name	Title
1.	Mr. Sutee Phongpaiboon	Chairman
2.	Lt. Dr. Suphornchai Siriwoharn	Member of the Nomination Committee
3.	Lt. JG. Yuthana Sivaraks	Member of the Nomination Committee

4. Remuneration Committee

Powers and Duties of the Remuneration

The Remuneration Committee is authorized the scope of duties and responsibilities, and required to report to the Board of Directors as follows:

1. To consider and review remuneration scheme and criteria for directors and high-level executives. Those schemes will be submitted to the Board of Directors for approval in case of high-level executive; in case of directors, the Board of Directors will further submit for approval by the general meeting of shareholder.
2. To consider and review remuneration scheme of companies in peer group
3. To review and revise remuneration scheme as deem appropriate and conform to actual conditions
4. To consider evaluation criteria of director assuming office of high-level executive, and to propose to the Board of Director
5. To consider annual remuneration scheme

List of the Remuneration Committee as of January 1, 2014 is as follows:

	Name	Title
1.	Mr. Sutee Phongpaiboon	Chairman
2.	Lt. Dr. Suphornchai Siriwoharn	Member of the Remuneration Committee
3.	Lt. JG. Yuthana Sivaraks	Member of the Remuneration Committee

5. Risk Management Committee

Powers and Duties of the Risk Management Committee

The Risk Management Committee is authorized the scope of duties and responsibilities, and required to report to the Board of Directors as follows:

1. To consider and ensure risk control over company investment and appropriate level of business operations.
2. As may be empowered by the Board of Directors, to consider other matters in relation with corporate risks

List of the Risk Management Committee as of January 1, 2014 is as follows:

	Name	Title
1.	Lt. Dr. Suphornchai Siriwoharn	Chairman
2.	Prof. Dr. Pairote Sattayatham	Member of the Committee
3.	Asst. Prof. Dr. Kasemson Pipatsirisak	Member of the Committee

6. Corporate Governance (CG) Committee

Powers and Duties of the Corporate Governance (CG) Committee

The Corporate Governance Committee is authorized the scope of duties and responsibilities, and required to report to the Board of Directors as follows:

1. To give advices, suggestions on corporate good governance, business operational and governance practices
2. To review and ensure the company's international standard and appropriate code of corporate good governance
3. To follow up the company's operational performance and report to the Board of Directors

List of the Corporate Governance Committee as of January 1, 2014 as follows:

	Name	Title
1.	Prof. Dr. Pairote Sattayatham	Chairman
2.	Lt. Dr. Suphornchai Siriwoharn	Member of the CG Committee
3.	Assoc.Prof. Dr. Suthinan Pomsuwan	Member of the CG Committee

7. Technical Audit Committee

Powers and Duties of Technical Audit Committee

The Technical Audit Committee is authorized the scope of duties and responsibilities, and required to report to the Board of Directors as follows:

1. To give academic and technical advices and suggestions to the management in evaluation and adoption of appropriate technologies
2. To audit and follow up technical operations to attain the targeted objectives

List of the Technical Audit Committee as of January 1, 2014 is as follows:

Name	Title
1. Prof. Dr. Christopher Toumazou	Chairman, Technical Audit Committee
2. Dr. Ekarin Vasanang	Member, Technical Audit Committee Solar Energy
3. Dr. Yossapong Laonual	Member, Technical Audit Committee Mechanical Engineering
4. Assoc. Prof. Dr. Peerapol Yuvapoositanon	Member, Technical Audit Committee Digital Signal Processing Engineering
5. Assoc. Prof. Dr. Apinunt Thanachayanont	Member, Technical Audit Committee Microelectronics Engineering

Criteria in Selection and Nomination of Executives

1. Independent Director

Criteria in Selection of Independent Directors

Qualifications of an independent director are as follows:

1. Not an employee, a staff member or a consultant receiving regular salary or any other benefits from the company, the parent company, subsidiaries, and associated or related companies;
2. Neither by blood relationship nor by legal registration, being father, mother, spouse, brother, sister, son, daughter or spouse of son or daughter to the executive, major shareholder, controlling person;
3. Holding not exceeding 1 percent of the paid-up share capital of the company, the parent company, subsidiaries, associated or related companies, the percentage limit includes the shares held by director's related persons;
4. Observing equitable benefits of all shareholders;
5. Observing non-existence of conflict of interest between the company and its executives, major shareholders or other companies having the same group of executives or major shareholders;

6. Attending meetings with the Board of Directors, to make decisions on important activities of the company.

The above qualifications are minimum conditions as prescribed by the Board of the Securities Exchange Commission and the Stock Exchange of Thailand.

Balance of Power for Non-Executive Directors

As of January 1, 2014, the Board of Directors consists of 9 members as follows:

4	Executive Directors
0	Non-Executive Directors
5	Independent Directors

(Equivalent to 50% of the total Board members)

2. Nomination of Directors and Management

Nomination of directors is processed through the Nomination Committee, the Board of Directors, while adhering to the articles of association, which entitles minor investors to appoint director(s) by casting vote in the shareholder meeting. In electing a director, the shareholder holds one vote per one share. The shareholder may cast all available votes for one or more directors, but the votes are inseparable for the nominated persons, or non-cumulative voting system. Persons, in order of majority votes, are elected directors to the required number of directors. Situations where persons with parity of votes, exceeding the required number of director occur, chairman of the meeting will have the casting vote.

In the event of vacancy due to expired term of office, the Board of Directors may appoint a person lawfully qualified to substitute in the succeeding Board meeting. Except a director whose term is less than two months, the substituting director shall be entitled for directorship in the remaining duration.

High-level officers not assuming the office of directors shall be nominated by the Board of Directors.

During 2013, there was two director retire, and three substitution was made.

Corporate Governance in Subsidiaries

(1) Mechanism of Corporate Governance in Subsidiaries

The Board of Directors announced the approval authority which is the company's code of conduct for approve in the Company and Subsidiaries, coming into effect on 10 November 2005. The obligatory authority is owned by the Board of Directors except the attorney who is able to act as the authorized persons and the power of executive is owned by the president. The approval authority could be divided into 8 types which are finance, accountancy, administration, supplier, sales, sales promotion and human resource.

In addition, the appointed person as a director of the Company must govern the subsidiaries to achieve accurate connected transactions, the acquisition of assets or other transactions and to apply any relating to the information disclosure and the said transactions in accordance with the criteria of the Company, including governing to manage data and the subsidiaries' accounts for on-time-audit and financial budget.

(2) Information about Agreement between the Company and Shareholders in Subsidiaries

-None-

Policy on the Use of Inside Information

The Company prohibits executives and employees using inside information for their own benefit or others and limits the number of executives and employee to access information which has not been disclosed to the public and kept confidential, apart from disclosure to the relevant persons. Furthermore, the Company acts as a center for receiving securities trading which all executives manage to send to The Securities and Exchange Commission and the Stock Exchange of Thailand. This results in the Company accessing to securities trading movement of all executives in a short time.

Remuneration for Auditor

1. Audit fee
2. The Company and subsidiaries remunerate audit fees to NPS Siam Audit Limited for the year 2013, amounting THB 3,400,000
3. Non-Audit fee
-None –

Other Good Corporate Governance Practice

The Company always follows the criteria of corporate governance which the Stock Exchange has regulated.

Information of Directors, Authorized Persons and Corporate Secretary

The International Engineering Company Limited

Name	Position/Assigned Date	Age (Year)	Education	Share		Working Experience in the past 5 Years	
				Holding (%)	Duration	Position	Company/Type of Business
Lt. Somsak Yamasamit	Honorary Chairman	76	National Defense College of Thailand	-	2005-present	Chairman	Multi Risks Consultant (Thailand) Ltd.
	Assigned as director according to the resolution of EGM 2011, on 20 May 2011		Utah State University, USA		2003-present	Chairman	Asian Capital & Consultant (Thailand) Ltd.
			Thai Institute of Directors - DAP in 2005 Role of Chairman Program (RCP) class 18 of IOD year 2551		2005-2011	Chairman	Sino-Thai Resources Development PCL
Dr. Bhusana Premanode	Chairman		Ph.D. in Financial Engineering, Imperial College London, UK	1.67		Chairman	Institute of Social and Economic Policy(ISEP), Thailand
	Assigned as director according to the resolution of the meeting of the board of directors No.11/2013, on 26 August 2013.	59	Ph.D. in Biomedical Engineering, Imperial College University of London, UK		Present	Chairman	Hand in Hand Foundation
			DBA in Finance Management, Somerset University, UK			Advisory Board Visiting Professor	PTT Exploration and Production Plc Centre of Bio-Inspired Technology, Imperial College London
Mrs. Sunjutha Witchawut	Vice Chairman/ Executive Chairman	53	Master's Degree in Economics, University of Thai Chamber of Commerce	-	2009- Present	Advisor	The Committee for Land, Natural Resources and Environment, the Parliament
	Assigned as director according to the resolution of EGM 2013, on 13 May 2013.		Bachelor's Degree in Science, Prince of Songkhla University		2006-2008	Chairman	Bliss-Tel Public Company Limited
			Thai Institute of Directors-DAP in 2006				

Name	Position/Assigned Date	Age (Year)	Education	Share Holding		Working Experience in the past 5 Years	
				(%)	Duration	Position	Company/Type of Business
Dr. Attawooth Laohapakdee	Director / Acting President	48	Doctor of Public Administration, NIDA	-	Sept. 2013-	Director	IEC Technology Co., Ltd.
	Assigned as director according to the resolution of the meeting of the board of directors No. 7/2013, on 26 June 2013		MBA (Finance), NIDA		Present		
			Bachelor of Engineering, King Mongkut's Institute of Technology DCP of IOD 2011		2011 - 2013 2010 – 2011		
Mr.Sutee Phongpaiboon	Chairman of the audit Committee / Independent Director Assigned as director according to the resolution of EGM 2013, on 13 May 2013	49	Bachelor's of Law, Ramkhamhaeng University Thai Institute of Directors-DAP in 2007	-	1999-Present	Chief of Lawyers	Sutee Phonpaiboon Law Office
Lt. Dr. Supornchai Siriwoharn	Member of the Audit Committee / Independent Director	64	Doctor of Philosophy (Outstanding in Leadership and Human Behavior) , United States International University , San Diego , California , USA	-	2004-Present	Vice Chairman	Institute of Social and Economic Policy
	Assigned as director according to the resolution of the meeting of the board of directors No.8/2011, on 20 October 2011		Master's Degree in Public Administration, NIDA		2006- Present	Visiting Lecturer	Public Administration, Western University
					2008- Present	Visiting Lecturer	Public Administration, Chaingmai Rajabhat University

Name	Position/Assigned Date	Age (Year)	Education	Share	Working Experience in the past 5 Years		
				Holding (%)	Duration	Position	Company/Type of Business
Lt. JG Yuthana Sivaraks	Member of the Audit Committee / Independent Director Assigned as director according to the resolution of EGM 2012, on 18 May 2012.	48	LL.M. with Specialization in International Law, Trade and Finance ,Tulane University, USA LL.M. in Comparative Law, Pennsylvania State University, USA LL.B. Thammasat University Thai Institute of Director-DAP in 2008	-	2004-Present	Legal Advisor and Partner	Baker & McKenzie
Mr. Pracheerd Sook-kaew	Member of the Audit Committee / Independent Director Assigned as director according to the resolution of the meeting of the board of directors No.11/2012, on 7 November 2012.	66	National Defense College of Thailand, Class 42 Ph.D. (Honorary) in Agricultural Engineering, Maejo University Bachelor's Degree (Electrical Power), Faculty of Engineering, Chulalongkorn University Thai Institute of Directors-DCP in 2010	-	Aug.-Oct. 2012 2006-2008 2005-2007	Director Member of National Legislative Council Governor	Bliss-Tel Public Company Limited The Parliament Provincial Electricity Authority (PEA)
Prof.Dr. Pairote Sattayatham	Member of the Audit Committee / Independent Director Assigned as director according to the resolution of EGM 2013, on 13 May 2013	62	Ph.D. (Mathematics), Chulalongkorn University M.Sc.(Mathematics), Chulalongkorn University	-	2007 - 2010	Deputy Director	Suranaree University of technology

Name	Position/Assigned Date	Age (Year)	Education	Share Holding		Working Experience in the past 5 Years	
				(%)	Duration	Position	Company/Type of Business
Mr. Somchai Lertwisettheerakul	Senior Executive Vice President, Special Project Department	48	Certificate in Administration, Management Excellence Skill Alexander Hamilton Institute, NJ. Mini – MBA University of the Thai Chamber of Commerce Bachelor of Public Administration, Faculty of Political Science	-	2009 – 2013	Executive Vice President, Operating Division	The International Engineering Company Limited.
Mr. Ekkamol Emradee	Senior Executive Vice President, Legal Division	48	Bachelor of Laws, Chulalongkorn University Thai Institute of Directors 2006	-	2005 - Present 2012 – 2013 2008 - 2011	Director Vice president, Legal Division Senior Director, Legal Division	IEC Technology Co.,Ltd. The International Engineering Company Limited. The International Engineering Company Limited.
Mr. Surapoom Somwangthanaroj	Executive Vice President, ผู้ช่วย Office of CEO	41	MBA, MIS, George Washington University Bachelor of Engineering, King Mongkut's Institute of Technology	0.001	1 Jan. – 31 Dec. 2013	Senior Director of CEO	The International Engineering Company Limited
Mrs. Narumol Chattawan	Senior Vice President, Accounting and Financial Division	46	Bachelor of Commerce and Accountancy, Thammasat University	-	2012 - 2013 2011 – 2012 2007 – 2011	Director, Accounting Division Senior Manager, Accounting Division Director, Accounting Division	The International Engineering Company Limited. Thonburi Phanich Co., Ltd.The International Engineering Company Limited.
Mr.Chanchai Khemwichien	Senior Vice President, Information System Division	43	Bachelor of Engineering Rajamangala University of Technology	-	2011 – 2013 2009 – 2011	Director, Information System Division Vice President, , Information System	The International Engineering Company Limited. The International Engineering Company

Name	Position/Assigned Date	Age (Year)	Education	Share Holding		Working Experience in the past 5 Years	
				(%)	Duration	Position	Company/Type of Business
Ms. Ammaraporn	Corporate Secretary	36	Master of Business Administrator, Saint John's	-	2006 - Present	Secretary	IEC Business Partner Co.,Ltd.
Dechakaisaya	Assigned as corporate secretary according to the resolution of the meeting of the board of directors 2012, on 25 June 2012		University Bachelor of Business Administrator, Saint John's University				

Note: (1) The relationship among the executives- None – (2) IOD refers to Thai Institute of Directors
(3) DAP refers to Director Accreditation Program (4) DCP refers to Director Certification Program

Duties and Responsibilities of the Corporate Secretary

The Corporate Secretary must Section 89/15 and section 89/16 of the Securities and Exchange Commission Act (Amended No.4) 2008, coming into effect on 31 August 2008, with responsibility, caution and honesty including performing acts according to the laws, objectives, regulations of the Company, resolutions of the Board and resolutions of the shareholder's meeting. Thus, the duties of corporate secretary are as follows:

1. Preparing and keeping the following documents:
 - A. A register of directors
 - B. A notice calling a director meeting, minute of the meeting of the board of directors and an annual report of the company
 - C. A notice calling a shareholder meeting and minutes of the shareholders 'meeting
2. A company secretary shall submit a copy of report on interest under Section 89/14 to the Chairman of the board of directors and the Chairman of the audit committee within seven business days from the date on which the company has received such report
3. Performing any other acts as specified in the notification of the Capital Market Supervisory Board
4. Performing any other acts as appointed by the Company

Directors of Company's Subsidiaries

Name	Company IEC	Subsidiary							
		1	2	3	4	5	6	7	8
1. Lt. Somsak Yamasmit	H					/			
2. Dr.bhusana premanode	X								
3. Mrs. Sunjutha Witchawut	D ,///	/				/			
4. Dr.Attawooth Laohapakdee	V						/	/	/
5. Mr. Sutee Phongpaiboon	/								
6. Lt. Dr. Supornchai Siriwoharn	/								
7. Mr. Pracherd Sook-kaew	/								
8. Lt. JG Yuthana Sivaraks	/								
9. Prof.Dr. Pairote Sattayatham	/								

Note: (Data as of January 1, 2014)

H = Honorary Chairman, X = Chairman,

D = Vice Chairman, /// = Executive Chairman,

V = President (Acting), / = Director

Subsidiaries:

1. IEC Green Energy Co., Ltd.
2. Team Solar Co., Ltd.
3. GIDEC Co.,Ltd.
4. Superdreampower Co.,Ltd
5. IEC Business Partners Co., Ltd.
6. IEC Technology Co., Ltd.
7. NFS (2010) Co., Ltd.
8. Mae Taeng Solar Co., Ltd.

Note:

- Subsidiary No.2 is held by IEC Green Energy Co.,Ltd.
- Subsidiary No.3 co-invested by IEC Green Energy Co.,Ltd. and Electricity Generating PCL
- Subsidiary No.8 held by Team Solar Co.,Ltd. and IEC Green Energy Co.,Ltd. Subsidiary No.8 registered closing the company to the Registrar of Department of Developing Commerce on 6 January 2014.

List of Directors of Company's Subsidiaries

Name	Subsidiaries							
	1	2	3	4	5	6	7	8
1. Lt. Somsak Yamasmit					/			
2. Mrs. Sunjutha Witchawut	/				/			
3. Dr. Attawooth Laohapakdee						/	/	/
4. Mr. Somchai Lertwisettheerakul	/							
5. Mr. Ekkamol Emradee						/	/	
6. Mr. Decha Sujitham					/			
7. Mr. Surapoom Somwangthanaroj	/	/	/					/
8. Dr. Sudhiporn Patumtaewapibal			/					
9. Mr. Panya Watcharaboon			/					
10. Mr. Gumpanart Bumroongit			/					
11. Mr. Saksit Suntareganon			/					
12. Dr. Dhanabhat Suwannakum		/						
13. Mr. Apichat Tantivejakul		/						
14. Mr. Kittpat Sirathanasade		/		/				
15. Mr. Marupong Siriwat		/		/				

Note: (Data as of January 1, 2014)

/ = Director

Subsidiaries 1. IEC Green Energy Co., Ltd

2. Team Solar Co.,Ltd

3. GIDEC Co.,Ltd.

4. Superdreampower Co.,Ltd

5. IEC Business Partners Co.,Ltd.

6. IEC Technology Co.,Ltd.

7. NFS (2010) Co.,Ltd.

8. Mae Taeng Solar Co., Ltd.

Note

- Subsidiary No.2 is held by IEC Green Energy Co.,Ltd.

- Subsidiary No.3 co-invested by IEC Green Energy Co.,Ltd. and Electricity Generating PCL

- Subsidiary No.8 held by Team Solar Co.,Ltd. And IEC Green Energy Co.,Ltd. Subsidiary No.8 registered closing the company to the Registrar of Department of Developing Commerce on 6 January 2014.

Significant Transactions

The change and principal development in operating Business and management in year 2013.

- 4 January 2013 : The company acquires 9,898 ordinary shares or 98.98 % of paid-up capital of SuperDreamPower Co.,Ltd.
- 13 May 2013 : On 13 May, 2013, the Extraordinary General Meeting of the Company (Re-scheduled) passed the following important resolutions:
- (1) Approved decrease of registered capital from THB 8,219,120,825 to THB 7,802,604,942 by elimination of 4,165,158,830 unsubscribed shares
 - (2) Approved increase of registered capital by addition of THB 2,300,977,258 onto THB 7,802,604,942 current registered capital, forming a total registered capital of THB 10,103,582,200 by issuing 23,009,772,580 new ordinary shares at THB 0.10 (Ten Satang) par value
 - (3) Approved issuance and sell of 23,009,772,580 new ordinary shares of the company which will be allotted to existing shareholders at a subscription ratio of 3 existing ordinary shares for 1 new ordinary share. The selling price is THB 0.0225 (Two two five satang) per share
- 23 September 2013 : Team Solar Co., Ltd., a subsidiary of the company, implementer of Lamphun 1 & 2 Power Plant Projects with a cumulative capacity of 2.304 MW situated in Tambon Takas, Ampur Mae Tha, Lamphun Province, has been granted the License for Electricity Generation and the License for Generating Energy under Control from the Office of the Energy Regulatory Commission. In consequence, the aforementioned projects are permitted to generate and distribute electricity into the power grid of the Provincial Electricity Authority from September 23, 2013.
- 18 October 2013 : On 18 October, 2013, the Extraordinary General Meeting of the Company No.1/2013 (re-scheduled) passed the following important resolutions:
- (1) Approved increased of registered capital by addition THB 6,102,857,800 onto THB 10,103,582,200 current registered capital, forming a total registered capital of THB 16,206,440,000 by issuing 61,028,578,000 new ordinary shares at THB 0.10 (Ten satang) par value
 - (2) Approved issuance and sell of 30,681,530,080 new ordinary shares of the company which will be allotted to existing shareholders at a subscription ratio of 3 existing ordinary shares for 1 new ordinary share. The selling price is THB 0.275 (Two two five satang) per share
 - (3) Approved issuance and sell of 26,747,047,920 new ordinary shares of the company which will be allotted to private placement by setting the selling price not lower than the market price. The market price shall be calculated from the weighted average of closing share price of the Company in the SET for 7 business days before the first day that offers to investors, and deducted the 10 % discount of the weight average. The offer price must not be lower than THB 0.225 par value and the Silent Period shall be lasted 2 years.
 - (4) Disapproved to issue and allot the right warrant with the amount of not over 3,600,000,000 to directors, executives, employees and subsidiaries (IEX-ESOP1).
- 25 November 2013 : IEC Business Partners Co.,Ltd., a subsidiary and the company as a debtor and the borrower and the company as the debtor and the guarantor have reached an agreement on debt restructuring with TS Asset Management Co., Ltd., the creditor, in order to settle of the debt and to end the lawsuit about the ethanol project of a subsidiary

- 2 December 2013 : The company divested all 500,000 ordinary shares , or 100 % of paid-up capital held in the ISD (2012) Co.,Ltd.
- 2 December2013 : The company divested all 11,200,000 ordinary shares, or 100 % of paid-up capital held in the IEC Distribution System Co.,Ltd.
- 26 December2013 :SuperDreamPower Co., Ltd., a subsidiary of the Company, has operated the solar power plant, the Mae Ramad project. The production capacity is 6.3 MW. The power plant, located at Mae Ramad district off Tak province, is able to generate and distribute electricity into the power grid of the Provincial Electricity Authority from December 26, 2013.
- 31 December 2013: On 31 December 2013, the Extraordinary General Meeting No.2/2013 of the Company resolved to close down the company by registering closed operation with the registrar of the Department of Business Development of the Ministry of Commerce on 6 January 2014.

Financial Highlight

(Unit: Thousand)

	2013	2012	2011
Total Asset	2,597,682	1,489,882	1,452,359
Total Liabilities	930,337	1,251,184	1,369,484
Total Equity	1,667,345	238,698	82,875
Revenues from sales of goods or rendering of services	436,502	996,348	1,027,097
Total Revenues	774,355	1,055,070	1,170,091
Gross Profit	47,881	62,960	83,526
Net Profit (Loss)	60,904	(288,758)	(320,923)
Earning per Share (Baht)	0.0011	(0.0056)	(0.0075)
Dividend per Share (Baht)	-	-	-
Net Profit Margin (%)	7.87%	(27.37)%	(27.43)%
Return on Equity (%)	3.65%	(120.97)%	(387.24)%
Return on Asset (%)	2.34%	(19.38)%	(22.10)%
Book Value per Share (Baht)	0.0139	0.0036	0.0019

Business Overview

Policy and the division of the operation of the company and Subsidiaries

The International Engineering Public Company Limited and affiliated companies classified their operations in 2013 as follow:

1. Mobile Phone Business

- 1.1 Communication Service Business (IEC3G) under IEC Technology Co., Ltd.
- 1.2 DTAC Distribution under ISD (2012) Co.,Ltd.

2. Information Technology Business

- 2.1 System Integrator Business under IEC
- 2.2 Digital Mobile TV Business under IEC

3. Energy Business

- 3.1 Waste-to-Energy Power Plant under a subsidiary (GIDEC Co., Ltd.) of IEC Green Energy Co., Ltd.
- 3.2 Solar Energy Business under Subsidiaries (Team Solar Co., Ltd. & Mae Taeng Solar Co., Ltd.) of IEC Green Energy Co., Ltd. And Superdreampower Co.,Ltd.

Structure of Revenue

	% Holding	2013		2012		2011	
		MB	%	MB	%	MB	%
<u>Products & Services under the Company</u>							
Information Technology Business		52.21	6.74	-	-	-	-
Mobile phone business		1.19	0.15	410.64	38.93	914.77	78.22
Engineering business		0.12	0.02	2.17	0.20	22.86	1.95
Other revenues		11.57	1.49	54.85	5.20	128.64	11.00
Total revenue of the Company		65.09	8.40	467.66	44.33	1,066.27	91.17
<u>Products under subsidiaries</u>							
IEC Green Energy Co., Ltd.	100	10.43	1.35	0.66	0.06	2.21	0.19
<ul style="list-style-type: none"> Providing consulting in research and development distributing the products regarding technology for environmental management and development of all energy and alternative energy 							
IEC Technology Co., Ltd.	100	5.87	0.76	12.93	1.23	27.20	2.33
<ul style="list-style-type: none"> Information technology service. (On 24 March 2014, IEC resolved to divest the register capital according to the Board's meeting.) 							
IEC Asset Co., Ltd.	100	-	-	-	-	38.49	3.29
<ul style="list-style-type: none"> Investment in IEC Building (Former internet ISP) (Divested since 31/8/2011) 							
IEC Distribution System Co., Ltd.	100	1.87	0.24	3.27	0.31	0.70	0.06
<ul style="list-style-type: none"> Repairing services for mobile phones and accessories (Temporally closed and on 6/12/2013 the entity was divested) 							
Triple Play Co., Ltd.	100	-	-	7.86	0.75	34.61	2.96
<ul style="list-style-type: none"> Mobile Media Content (On 26/3/2012 the entity was divested.) 							
NFS (2010) Co., Ltd.	100	16.72	2.16	100.63	9.54	-	-
<ul style="list-style-type: none"> Mobile phone distribution (Since 13/7/2012) 							
ISD (2012) Co., Ltd.	100	356.73	46.07	461.85	43.78	-	-
<ul style="list-style-type: none"> SIM card distribution(Since 24/2/2012 and on 24/02/2013, the entity was divested) 							
IEC Business Partner Co.,Ltd.	100	316.37	40.86	-	-	-	-
<ul style="list-style-type: none"> Invest in several business (Operate to Ceasing business on 18/01/2011 to 28/11/2013) 							
Super Dream Power Co.,Ltd.	100	1.27	0.16	-	-	-	-
<ul style="list-style-type: none"> Operate solar power plants (Running commercial business on 26/12/2013) 							
Total revenue for the Company & subsidiaries		774.35	100.00	1,054.86	100.00	1,169.48	100.00
Growth Percentage (%)		(26.59)		(9.80)		(34.48)	

Products and Services

1. Mobile Phone Business

(1.1) Communication Service Business (IEC3G) under IEC Technology Co., Ltd.

Types of Market, Products and Service

The company operates Communication Services which are wholesale and resell virtual mobile services business: non Facilities Based MVNO-Thin MVNO (Mobile Virtual Network Operator). IEC Technology Co.,Ltd., (IECT), a subsidiary of IEC was permitted from the National Telecommunications Commission to incorporate type 1 business, wholesale and resell virtual mobile service: Non Facilities Based MVNO-Thin MVNO (Mobile Virtual Network Operator) according to the resolution of the National Telecommunications Commission on 3 December 2009. Thus, the Company has recorded TOT3G network using WCDMA with UMTS standard in 2100 MHz frequency range to TOT and provided 3G service under IEC3G trademark, but under the circumstance of limited area coverage as TOT3G was struggling to expand its nationwide coverage and put off indoor blind spots, IEC3G was unsuccessful to achieve as planned. At the end of 2013, TOT3G had an approximately 5,000 network stations.

Marketing and Competition

IEC Technology Co.,Ltd. incorporated Telecommunications Business which is virtual mobile with 3G system to support the increase of consumer behavior preferring to use Hi-Speed Internet broadband due to the more convenience and faster speed suiting for customer groups who prefer to use internet through mobile phone or Aircard

The marketing target of the company focuses on customer groups in Bangkok and the outskirts of Bangkok in order to approach customers. This group prefers non-voice service or Data service, requiring the high speed to send and receive the information such as Up/Download file, Video Calling, Video Streaming, Online game. At the present day, the Company had an approximate subscriber number at 7,000.

According to the permission of the use of frequency of the National Telecommunications Commissions for International Mobile Telecommunications – IMT business with 2.1 GHz range in Thailand, it leads to high competitions, and is expected that the service charges will decrease and the 3G licenses are going to authorize to the 3 big existing companies

Strategy of Competition

The company remains Tariff Driven strategy to design package, to use high speed data for matching with target group in each segment and to focus on customer groups who prefer high speed Data, also to increase the capacity of Company's teams for its service, the relationship between customers and the devices distributors including maintaining the existing customers.

The Supplies of Products and services

The company acquired 3G mobile network service from TOT Public Company Limited to resell the service to general consumers.

The company planned to provide customer service adjusted from Thin MVNO to Medium MVNO with Value Added Service on the 3G Mobile Network. Presently, there are Data service, Short Message Services or SMS service and Video Call service.

(1.2) DTAC Distribution Business under ISD (2012)

The company obtained Distribution Management and Money Refillable Card of Repaid System with the Total Assets Communications Public Company Limited (DTAC) from 2011, in the central region consisting of Ayutthaya, Saraburi, Lopburi, Angthong and Singburi.

Goods Distribution Business and Customer Service address themselves to occupy market share, to create Brand Visibility and to approach customers in order to facilitate the goods delivery and service of Sales officer to customers.

Types of Product and Service

Regarding to online money refillable system and money refillable card distribution, from July 2013, DTAC launched its policy to increase mobile phone product under the brand named DTAC PHONE in order to distribute to customers who use smart phones and transfer customers from 2G system to 3G.

Marketing Structure

Brand building and direct access to customers.

Competition

Regarding to the adjustment of DTAC policy in 2013, the business gained minimum GP ratio and rising sales and operating expenses, also the change of product type resulting in the realization of revenue defined only the operation charge of cash card. In addition, there is inventory and cash managing risk, the company resolved to divest the register capital of ISD (2012) Co.,Ltd. according to the resolution of the Board meeting on 2 December 2013.

2. Information Technology Business

Information Technology Business performs a key role in supporting the operation of public and private sectors and is significant to manage and develop the organization. The company sees its necessity, and therefore, establishing and developing Information Technology group to support the need which increases each year. The company divided the group into two groups as follow:

(2.1) System Integrator Business under IEC

System Integrator (SI) business of the company, apart from having good business allies and excellent service, the key to manage the SI business is the selection of a befitting Solution System to system's scale in each business matching to customer's satisfaction. The company will consider and list each part of the equipments to match with the organization for highly benefit to customers from their investment.

Type of Business and Service

The System Integrator business of the company contains the providing Information Technology and Telecommunications Solution Service with full packages including designing and applying the entire system, hardware, software and structure of network system to comply with customer's satisfaction. Also, the Company owns system engineers who are able to support system projects and to train employees and customers.

Marketing, Distribution and Channel of Distribution

The company's customers are government, state-owned enterprise and private sectors. The company focuses on obtaining projects by bidding. Thus, the company's products and services contain highly advance technology. Therefore, it needs specialists in several fields and the collaboration from local and international allies. This is to make customers feel confident in the quality of the company's products and service.

Marketing Strategy

The company seeks for business allies in several products including hardware and software and focus on allies who own modern technology which is acceptable with agreeable price, professional staffs, excellent after-purchasing service and also ready to supply goods in order to respond major projects of governmental and private sectors.

Competition

The company encountered the modification of industry and information technology market in 2013. The economic competition, politics, consumers' demand and unceasing investment in other industries influence the expenses and the information technology and communication investment such as the increased demand of Smart Devices which contraries to decreased amount of desktop computers, the popularity of portable devices tending to be higher and the Solution demand in Business Continuity / Disaster Recovery from the group of Company's customers.

As for to the state of IT investment of several organizations in Thailand 2013, the investment delayed in the end of the year which caused by the economic and the political circumstance, conforming

with the expectation of IT System investment which is predicted that it shall be increase in the first six months of the year. Some factors encouraging the IT System investment are the investment to restructure the IT System which is part of the improvement of the existing system to support the growth of each business.

In term of the public sector, the IT investment's ratio still constantly grows. Thailand is a country where the IT investment is at high level, comparing to countries in which their populations and economy are similar, for example, Indonesia and Malaysia.

Due to the fact that the circumstance of information technology market competition tends to be more intense, the Company concentrates to remain our good relationship with our trading partners, our excellent services and our effective technology coordinating with customers' business.

The Products and Service Supplies

The company has collaborated with our international allies in technology to offer the information technology system according to customers' demand in every project.

The Major Project

Due to the accomplish of Integrated Billing and Customer Service System (IBACSS) project and Billing Mediation project with the National Telecommunications Commissions (NTC) in year 2008-2011, the NTC agreed to mandate the Company the operator of a Maintaining and Repairing IBACSS and Billing Mediation (Hardware) Project for 17 months with project value at THB 44,940,214.00 in 2013. In addition, the NTC confides in the Company to be the operator of another Unified Database project for 12 months with project value at THB 197,650,000.00.

(2.2) Digital Mobile TV Business under IEC

Type of Products and Service

Digital TV Technology's features are high quality of image and sound taking major roles in broadcasting thought various devices such as portable television.

MCOT Public Company Limited ("MCOT") agrees to mandate the Company the only operator of Digital Mobile TV with DVB-T/H System on UHF frequency channel 58. Thus, the Company remains this operation in order to accord to the target that MCOT has set. Nonetheless, due to the unfinished request of importing signal transmitter permission between MCOT and NTC, the broadcasting date must be postponed.

Marketing and Competition

Digital Mobile TV business in this present day is at the beginning and there is still no exact marketing rival. The Digital Mobile TV today is to transmit signal trough Mobile Network or 3G System which requires services fees for the package.

In any case, MCOT agrees to mandate The Company the operator of Digital Mobile TV under mutually-agreed contract which involves investment, project management, operational management, sales, marketing, ads and PR management in relation with Digital Mobile TV on UHF Channel 58 under the policy of MCOT.

Competition Strategy

The company shall supply portable television devices to support the users and offer various channels so that the users shall fully receive informativeness and entertainment more than the Free TV System as the present day. The Company also offers additional packages for receiving news through broadcasting channel spacing.

The Products and Services Supply

The company shall invest independently for the administration and marketing of Digital TV System on UHF channel 58 including the expenses of supplying hardware and software for operating the project and the managing arrangement as well as the system for service under the business with investing budget and expenses amounting to THB 250,000,000.

Nowadays, the Company has purchased all equipment for the system already. Today, the equipments are successively imported to Thailand for installation. This is a high investment but shall receive the income after the commercial broadcasting. According to the business contract between MCOT and IEC, the company must pay for the project independently and deliver all the purchasing

equipments to MCOT. When the Company hand over to MCOT, IEC shall receive a contract extension for 5 years, MCOT will divide up the revenues to the company for managing and project marketing price.

On 4 February 2014, the company notified the MCOT to clarify the truth about the news on 3 February 2014 that NCT had considered the operation of Television business in DVB-T/H System on channel 58 UHF between MCOT and the Company. However, there is no any clarification from MCOT.

Resolution following to the news of NCT.

“the use of UHF (ultra-high frequency) Channel 58 for mobile TV service between MCOT Public Company Limited and the Company, that the UHF Channel 58 was initially granted by the Post and Telegraph Department to MCOT to help the state-run TV broadcaster to improve its analog signal, particularly in outskirts of Bangkok. But MCOT decided to use this bandwidth for a subscription-based digital-TV service under a DVB-T/H system, which strayed from its original plan, constituting misuse which against Code Law No. 44 of Act on Organization to Assign Radio B.E. 2553 (2010) of NBCT. NBCT ordered MCOT to return the use of this frequency back to the original plan. The NBCT’s meeting No. 7/2013 resolved the use of this frequency according to Code Law No.83 third paragraph of Act on Organization to Assign Radio B.E. 2553 within 5 years, commencing from the date that NBCT resolved the approval of returning frequency duration.”

3. Energy Business under IEC Green Energy Co., Ltd. and Superdreampower Co.,Ltd.

The growth of economy results to the enlargement of urban community and to the increase of energy consummation in urban society. Furthermore, the amount of solid wasted is multiplying causing two tendencies which are the unceasing tendency of energy demand and the increasing of solid waste’s quantity.

The tendency of energy demand is at the rising rate leading to sufficient importing energy which comes from fossils and is the basic cause global warming. The Government manages the energy policies which one of the policy states to promote the renewable energy such as wind energy, solar energy and solid wastes energy.

The increase of solid wastes bring about the problem to manage the wastes, even though landfill method which is using nowadays cost lowest, this methods causes pollution and displeasing landscape to the community, so today, landfill is opposed by the community. The local public sectors have to encounter the problem to plan the waste managing unavoidingly.

The company aware of this problem and also foresees a business chance, so IEC studies renewable energies which are the disposal of solid waste and modification to electrical energy, and the development of solar power plant project. These could be developed to the company’s major business in the near future and also offer constant and permanent profit.

The Methods to Develop Energy Projects of the Company

As aforementioned, the Company gives priority to energy business and proceeds in many ways to achieve and operate in the near future including the eternal development. The operation of the Company involves main activities as follows:

1. The operation of GIDEC Co.,Ltd. collaborates with The Electricity Generating Public Company Limited (EGCO), receiving the right to dispose wastes and establish the solid wastes power plant from Hadyai City Municipality. In 2013, GIDEC Co.,Ltd. precedes the solid waste power plant project in Songkla Province with production capacity at 6.7 MW and is proceeding to commercial operation. Presently, the project is in the process of final system audit and the step of cleaning stream duct before commercial operation. Basically, the Company expects that the power plant shall generate within the second quarter of 2014.

The operation was well supported from the contract partner, Hadyai City Municipality of Songkhla province, and also people in surrounding area welcome and encourage the project for eternal solution about solid wasted.

There is a lot of support for this project, as the power plant is located in the landfill area of the contract partner, referring to the stabilities of materials which is needed for long-termed usage and build firmness to project operation.

2. Team Solar Co.,Ltd. obtains the right to build solar power plants with production capacity at 4 MW in two following locations.

2.1 Tambon Takas, Ampur Mae Tha, Lamphun Province

With production capacity at 2 MW, the constructions has been finished and generated the electricity to the Provincial Electricity Authority (PEA) on 23 September 2013.

2.2 Tambon Khilek, Ampur Mae Taeng, and Chiangmai province

With Production capacity at 2 MW, it is expected that the project will be completed within the second quarter of 2014.

3. Superdreampower Co.,Ltd. obtains the right to build a solar power plant in the Mae Ramad district of Tak province with production capacity at 6.3 MW and started to generate the electricity from 26 December 2013.

According to the activity as mentioned above, the company receives well support from the public sectors resulting in the continuity of project operation, building trust and good image for the company. Moreover, it is a good opportunity to be instructed the technology directly from distributors, helping the Company ran the same kind of project with a lower capital but more efficient influencing positively to the Company's profits in the near future.

Marketing and Competition

The energy projects differ from others due to the impact to communities and societies and the contract partner often being local organizations, whose duty is to maintain good environment of their communities.

To enter the project, the company must make an offer following to governmental regulations and after being considered, then the Company could make an agreement with the local organization according to its terms and conditions during the contract.

However, the company still determined to operate the business in a smooth and effective manner and prepare budget for the society including building good relationship among local people, focusing on generating income to people in the area and making a good communications between the company and people for industrial peace.

Risk Factors

Operational Risk

Regulatory Risk

Changes in state policies and regulations may affect conventional operating practices, the company however follow-up constantly on policy changes in order to keep alert and ready for self-adjustment to accord statutory requirements.

For example, the newly-enforced minimum monthly salary and daily wage policy caused the group's cost of salaries and wages to increase, the change of Adder's rates before generating electricity influence to the group of Company's income.

Or, amendments of certain rules and regulations of the Office of National Broadcasting and Telecommunications Commission (NBTC), i.e. expiry date for prepaid system directly influence the group's business.

Interest Rate Risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's/Company's operations and its cash flows.

The Company's exposure to interest rate risk relates primarily to its cash at financial institution, loans to, bank overdrafts, short-term and long-term borrowings. However, since most of the company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Credit Risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group/Company as and when they fall due.

Presently, customers group of the company are state agencies, which have fixed payment duration resulting in the low credit risk of the company.

Shareholders' Risk

The risk from retained losses and may not be able to pay dividend in the near future

At the end of 2013, the company's total net profits (owners of the company) amounts to THB 88 million, but due to the retained losses from the end of 2012 amounting to THB 3,004 million, resulting in the retained losses of THB 2,916 million in 2013. Because of the number of retained losses, the company could not pay dividend to shareholders as the law's enforcement and shareholders may risk not receiving the dividends as the dividend policy has regulated.

Corporate Social Responsibility

Activities of the company and the subsidiaries concentrate to the social responsibility and environment for the eternal stability of the company and the society. In accordance with the 10 policies for corporate social responsibility of the Stock Exchange of Thailand, the company followed respectively for 2 following policies.

(1) Corruption Opposition

The meeting of the board of directors on 8 November 2013, resolved to perform spirit against the corruption by participating the Private Sector Collection Action Coalition Against Corruption or CAC, and ratified to acknowledge the agreement and declaration to against all corruptions.

(2) Community or Social Development

The solar power plant in Mae Tha of Lamphun province under Team Solar Co.,Ltd., a subsidiary of the company, has participated in the knowledge development of the community and the society by arranging a visit the power plant in order to learn and understand the solar electricity production in 2013. There are several agencies visited the power plant, for example, Pasang Industrial and Community Education College, Lamphun province and the Energy Office of Lamphun.

Internal Control and Risk Management

Opinion of the Board of Directors

On the Meeting of the Board of Directors No. 4/2014 on 28 March 2014 with audit committees and independent directors attending, the board evaluated the internal control system of the company with the information from executive department and summarized that from 5 compositions which are corporate internal control, risk evaluation, control activities, information system and monitoring activities, the internal control system adequate and appropriate. The board had managed adequately number of employees to operate the system efficiently, and also had tracking control of the operating of subsidiaries to protect company and subsidiaries' properties from the illegal or unauthorized acts including juristic acts with discording person or connecting persons. For other topics, the Board agreed that the internal control was also adequate.

Opinion of the Audit Committees in case of different from the Board of Directors

- None-

Head of Internal Control

On the Meeting of Audit Committee No.2/2010, on 16 March 2010, the board assigned Mrs. Romanewan Janphen as the Head of the Corporate Internal Audit from 16 March 2010, due to the educations and several experiences, such as, industrial management, marketing, accountancy and finance. Moreover, Mrs. Romanewan has taken courses about performance of internal audit 1 and 2 and well understands in corporate activities and operation. Therefore, the board agreed that Mrs. Romanewan appropriates to perform her duties.

Thus, the considering and approving, appointing, withdrawing and transferring the person who holds a position in internal audit of the Company must be authorized by the audit committees.

Head of Internal Audit

Name	Mrs. Romanewan Janphen
Position	Manager of System and Internal Audit Office
Age	43
Education	Master Business Administration Faculty of Commerce and Accountancy, Thammasart University
	Bachelor Business Administration (Accountancy) Sukhothai Thammathirat Open University
	Bachelor Industrial Management Faculty of Commerce and Accountancy, Thammasat University
Working Experience	2553-Present Manager of System and Internal Audit Office The Internal Engineering Public Company Limited
	2549-2553 Secretary of CEO The Internal Engineering Public Company Limited
	2544-2549 Secretary and Senior Project Coordinator The IEC Technology Company Limited
	2536-2544 Secretary and Coordinator The Internal Engineering Public Company Limited
Training	- performance of internal audit 2 Class 38 Federation of Accounting Professions
	- performance of internal audit 1 Class 45 Federation of Accounting Professions
	- Graduate Diploma Program of English for Careers Language Institute, Thammasat University

Related Transactions

(1) Related transactions with connected person

The Board of Directors' Meeting No. 4/2013 of The Company held on 24 April 2013, resolved in approval for the company's borrowing from Mr. Sakol Wacharasriroj, father of Mrs. Sunjutha Witchawut, the Vice Chairman of the Board and Chairman of the Executive Committee of the company, in an amount not exceeding THB 19 million with an interest rate of 8.50% per annum but no demand for collateral. Repayment of principal plus interest will be made in a single payment within 6 months after date of borrowing.

During 25 April 2013 and 15 May 2013, the Company withdrew the loan from the lender for 3 times, with principal of loan amounting to THB 19 million and on 25 June 2013, THB 19 million principals were repaid plus interests were fully paid to the lender.

The Board of Directors' Meeting No. 14/2013 of The Company held on 24 October 2013, resolved in approval for the Company's borrowing from Mr. Sakol Wacharasriroj, father of Mrs. Sunjutha Witchawut, the Vice Chairman of the Board and Chairman of the Executive Committee of the company, in an amount not exceeding THB 19.5 million with an interest rate of 8.50% per annum but no demand for collateral. Repayment of principal plus interest will be made in a single payment within 3 months after date of borrowing.

During 24 October 2013 and 1 November 2013, the Company withdrew the loan from the lender for 3 times, with principal of loan amounting to THB 14 million and on 14 November 2013, THB 14 million principals were repaid plus interests were fully paid to the lender.

(2) Related transactions with connected person or connected activities

Details please see Notes to the Financial Statement 2013

Audit Committee Report

Dear shareholders of The International Engineering Public Company Limited:

The company's Audit Committee is established by resolution of the Board of Directors. The Committee consists of three independent directors, namely Mr. Sutee Phongpaiboon, Chairman, Lt. Dr. Suphornchai Siriwoharn and Mr. Pracherd Sook-kaew, members of the Committee. During 2013, meetings of the Audit Committee were held in four occasions.

The Audit Committee performs its work, gives independent opinions and follows duties and responsibilities as assigned by the Board of Directors, upholding good governance policy guideline by the Stock Exchange of Thailand as follow:

1. To review and ensure the quarterly and yearly financial statements of the company and subsidiaries are done according to generally-accepted accounting standard, adequately disclosed prior to approval of the Board of Directors
2. To review and ensure effective internal control, transparent operation compliant with company regulations, governing laws and rules
3. To convene meetings with management and internal auditor and to review connected transaction or any transaction that may have a conflict of interest to comply with legal and regulatory guidelines of the Stock Exchange of Thailand, in order to ensure the entered transaction is reasonable and create highest benefits to the company
4. To review and attend to audit report(s) of the Office of Internal Audit; to give advices for improvement of company's operations; and to consider and approve audit plans in 2014
5. To propose to the Board of Directors, the appointment of company's auditor and fixing of audit fees in 2014

The Audit Committee opines that the Company has completed the financial statements in compliance with the generally accepted accounting standard, providing adequate disclosure of information. After evaluation, the Committee deems the company establishes an internal control system sufficient and appropriate for the ongoing business, and performs in full compliance with the regulations of the Stock Exchange of Thailand.



(Mr. Sutee Phongpaiboon)
Chairman of the Audit Committee

**The International Engineering Public Company
Limited and its Subsidiaries**

Financial statements for the year ended
31 December 2013
and
Independent Auditor's Report

Audit report of Certified Public Accountant

To the shareholders of The International Engineering Public Company Limited

I have audited the accompanying consolidated and separate financial statements of The International Engineering Public Company Limited and its subsidiaries, and of The International Engineering Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2013, and the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial positions of The International Engineering Public Company Limited and its subsidiaries and of The International Engineering Public Company Limited , respectively, as at 31 December 2013 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matters

Without qualifying my opinion, I draw your attention to

- 1) Notes 2.7 and 46 to the financial statements, as shown in the financial statements, the Group / Company continuously incurred losses from principal business and had negative cash flows from operating activity including a lot of contentions case issues, which have been in the judicial process, begin to unravel. However, the business of the Group/Company has been continuing the upward trend. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Group/Company to continue as going concerns. However, the Group/Company begin to earn the operating income from energy business of 2 projects since September 2013 and December 2013 onwards. There will be growth trend after the remaining energy projects can generate the electricity which would be estimated by the first quarter of 2014.
- 2) Note 5 to the financial statements, the Company approved to acquire investment in a subsidiary in the amount of Baht 110 million and to dispose the investments in two subsidiary, resulting to gain (loss) from disposal of those investments. The pricing for acquiring and disposing was determined by using benefit basis which was estimated by the Company's management in order to resolve the operations of the subsidiaries which were not compliance with the plan and mitigate the effects of future losses.

Other matter

The financial statements of The International Engineering Public Company Limited and its subsidiaries and of The International Engineering Public Company Limited for the year ended 31 December 2012 were audited by another auditor who expressed an unmodified opinion on those statements on 22 February 2013 with the attention of matter paragraphs in relation to 1) going concern, 2) disposal of investment in subsidiary, 3) enter into an agreement with an acquirer to buy and to sell the investment in subsidiary, and 4) acquire investment of a company.



(Maliwan Phahuwattanakorn)
Certified Public Accountant
Registration Number 4701

NPS Siam Audit Limited
Bangkok
26 February 2014

The International Engineering Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2013

Assets	Note	Consolidated financial statements			Separate financial statements		
		31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012
<i>(in Baht)</i>							
Current assets							
Cash and cash equivalents	7	377,904,434	169,522,934	18,326,733	295,746,013	69,592,406	12,870,743
Trade accounts receivable	6, 8	10,264,579	6,347,904	18,813,968	43,768,413	71,137,580	98,592,016
Other receivables	6, 9	152,090,179	141,023,262	109,887,551	68,291,653	85,165,518	52,842,785
Short-term loans	6	-	-	-	696,780,000	189,926,000	92,176,000
Inventories	10	141,107,852	26,098,707	69,780,894	139,938,789	990,322	65,377,002
Assets held for sale	2, 6, 33	-	14,725,298	-	-	-	-
Total current assets		681,367,044	357,718,105	216,809,146	1,244,524,868	416,751,826	321,858,546
Non-current assets							
Investments in subsidiaries	5, 6, 11	-	-	-	523,417,223	307,486,896	318,209,882
Investments in associates	6, 12	-	-	-	-	-	-
Other long-term investments	13	1,073,750	525,000	525,000	1,073,750	525,000	525,000
Property, plant and equipment	14, 40, 47	1,478,691,184	821,131,099	571,343,087	16,904,639	57,043,140	84,597,349
Leasehold rights	15	24,029,057	26,044,488	58,714,639	24,029,057	26,044,488	58,714,639
Goodwill	5, 16	245,765,334	136,734,184	136,734,184	-	-	-
Deferred transmission facilities	17	7,599,616	-	-	-	-	-
Other intangible assets	18	9,208,744	9,314,475	45,634,164	8,250,833	9,300,477	45,572,133
Pledged deposits at financial institutions	47	64,555,102	36,048,632	277,541,138	56,367,321	22,618,795	265,414,930
Advance payment for assets	20	73,536,000	85,255,846	124,931,883	-	21,255,846	64,931,883
Other non-current assets	21	11,856,534	17,110,157	20,126,142	6,693,654	10,592,422	12,782,576
Total non-current assets		1,916,315,321	1,132,163,881	1,235,550,237	636,736,477	454,867,064	850,748,392
Total assets		2,597,682,365	1,489,881,986	1,452,359,383	1,881,261,345	871,618,890	1,172,606,938

The International Engineering Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 December 2013

Liabilities and equity	Note	Consolidated financial statements			Separate financial statements		
		31 December 2013	31 December 2012	1 January 2012	31 December 2013	31 December 2012	1 January 2012
<i>(in Baht)</i>							
Current liabilities							
Bank overdrafts and short-term loans							
from financial institutions	22	10,384,693	76,952,271	294,365,235	2,586,394	9,946,991	241,081,660
Trade account payables	23	37,937,581	16,583,989	41,941,576	37,937,552	1,664,750	28,734,069
Other payables	6, 24	303,915,866	95,461,785	227,835,767	153,875,616	65,327,929	84,671,800
Current portion of long-term loans	26	117,280,000	9,579,309	48,125,000	-	-	-
Long-term loan in default and accrued interest expenses	26, 33	-	216,751,607	544,096,707	-	-	-
Current portion of financial lease liabilities	6, 27	867,010	832,981	800,288	-	-	-
Short-term loans	6, 25	85,000,000	-	53,700,000	-	-	57,000,000
Short-term provisions	29	35,742,500	-	-	-	-	-
Liabilities relating to assets held for sale	2.6, 33	-	666,569,441	-	-	628,932,850	-
Total current liabilities		591,127,650	1,082,731,383	1,210,864,573	194,399,562	705,872,520	411,487,529
Non-current liabilities							
Long-term loans	26, 33	293,089,862	131,301,955	95,204,607	-	-	-
Financial lease liabilities	6, 27	-	867,010	1,699,991	-	-	-
Employee benefit obligations	28	5,037,702	3,965,502	4,101,756	3,038,155	2,262,610	1,804,887
Long-term provisions	29	38,205,953	29,394,042	56,352,470	107,821,571	55,657,411	698,818,608
Other non-current liabilities		2,876,098	2,924,141	1,260,933	2,424,291	2,847,068	1,183,860
Total non-current liabilities		339,209,615	168,452,650	158,619,757	113,284,017	60,767,089	701,807,355
Total liabilities		930,337,265	1,251,184,033	1,369,484,330	307,683,579	766,639,609	1,113,294,884
Equity							
Share capital	30						
Authorized share capital		16,206,440,000	8,219,120,825	6,346,858,348	16,206,440,000	8,219,120,825	6,346,858,348
Issued and paid-up share capital		12,002,008,000	6,702,931,766	4,273,184,826	12,002,008,000	6,702,931,766	4,273,184,826
Discount on ordinary shares	30, 31	(7,587,689,661)	(3,655,807,779)	(1,469,035,533)	(7,587,689,661)	(3,655,807,779)	(1,469,035,533)
Retained earnings (deficit)							
Appropriated							
Legal reserve	32	400,000	400,000	400,000	400,000	400,000	400,000
Deficit		(2,916,164,075)	(3,004,472,909)	(2,720,095,739)	(2,841,689,323)	(2,942,544,706)	(2,745,237,239)
Other components of equity	13	548,750	-	-	548,750	-	-
Total equity attributable to owners of the Company		1,499,103,014	43,051,078	84,453,554	1,573,577,766	104,979,281	59,312,054
Non-controlling interests		168,242,086	195,646,875	(1,578,501)	-	-	-
Total equity		1,667,345,100	238,697,953	82,875,053	1,573,577,766	104,979,281	59,312,054

The International Engineering Public Company Limited and its Subsidiaries

Statements of comprehensive income

For the year ended 31 December 2013

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in Baht)</i>			
Revenues					
Revenues from sales of goods or rendering of services	6	436,502,335	996,348,027	54,586,922	522,669,895
Revenues from adder price	34	7,039,136	-	-	-
Gain on debt restructuring	33	316,368,344	-	-	-
Reversal of provisions	29	-	-	577,245,893	-
Other income	6, 35	14,445,398	58,722,316	41,371,306	68,464,663
Total revenues		774,355,213	1,055,070,343	673,204,121	591,134,558
Expenses					
Cost of sales of goods or rendering of services	14, 18	395,660,785	933,387,711	32,634,504	491,777,385
Selling expenses		6,919,789	13,339,142	2,324,106	7,867,602
Administrative expenses	6, 14, 15, 18, 28	167,876,806	236,293,139	115,114,666	145,654,930
Other expenses	39	99,804,092	95,517,235	419,694,585	122,712,374
Finance costs	6, 40	43,189,696	65,291,406	2,580,877	20,429,734
Total expenses		713,451,168	1,343,828,633	572,348,738	788,442,025
Profit (loss) for the year		60,904,045	(288,758,290)	100,855,383	(197,307,467)
Other comprehensive income (loss)					
Net change in fair value of available -					
- for - sale investments	13	548,750	-	548,750	-
Other comprehensive income (loss) for the year		548,750	-	548,750	-
Total comprehensive income (loss) for the year		61,452,795	(288,758,290)	101,404,133	(197,307,467)
Profit (loss) attributable to:-					
Owners of the Company		88,308,834	(284,377,170)	100,855,383	(197,307,467)
Non-controlling interests		(27,404,789)	(4,381,120)	-	-
Profit (loss) for the year		60,904,045	(288,758,290)	100,855,383	(197,307,467)
Total comprehensive income (loss) attributable to :-					
Owners of the Company		88,857,584	(284,377,170)	101,404,133	(197,307,467)
Non-controlling interests		(27,404,789)	(4,381,120)	-	-
Total comprehensive income (loss) for the year		61,452,795	(288,758,290)	101,404,133	(197,307,467)
Earning (loss) per share					
Basic earning (loss) per share	42	0.0011	(0.0056)	0.0012	(0.0039)
Diluted earning (loss) per share (Baht)	42	0.0010	-	0.0012	-

The International Engineering Public Company Limited and its Subsidiaries

Statements of changes in equity

For the year ended 31 December 2013

		Consolidated financial statements						
					<u>Retained earnings (Deficit)</u>	<u>Other components of equity</u>		
		Issued and paid-up share capital	Discount on ordinary shares	Appropriated legal reserve	Deficit	Net change in fair value of available - for - sale investments	Total equity attributable to owners of the Company	Non-controlling interests
<i>Note</i>					<i>(in Baht)</i>			
	Balance as at 1 January 2012	4,273,184,826	(1,469,035,533)	400,000	(2,720,095,739)	-	84,453,554	(1,578,501)
	Disposal of investments in subsidiaries	-	-	-	-	-	-	1,606,496
	Issue of ordinary shares	2,429,746,940	(2,186,772,246)	-	-	-	242,974,694	200,000,000
	Total comprehensive income (loss) for the year	-	-	-	(284,377,170)	-	(284,377,170)	(4,381,120)
	Balance as at 31 December 2012	<u>6,702,931,766</u>	<u>(3,655,807,779)</u>	<u>400,000</u>	<u>(3,004,472,909)</u>	-	<u>43,051,078</u>	<u>195,646,875</u>
	Balance as at 1 January 2013	6,702,931,766	(3,655,807,779)	400,000	(3,004,472,909)	-	43,051,078	195,646,875
	Issue of ordinary shares	5,299,076,234	(3,931,881,882)	-	-	-	1,367,194,352	-
	Total comprehensive income (loss) for the year	-	-	-	88,308,834	548,750	88,857,584	(27,404,789)
	Balance as at 31 December 2013	<u>12,002,008,000</u>	<u>(7,587,689,661)</u>	<u>400,000</u>	<u>(2,916,164,075)</u>	<u>548,750</u>	<u>1,499,103,014</u>	<u>168,242,086</u>

The International Engineering Public Company Limited and its Subsidiaries

Statements of changes in equity

For the year ended 31 December 2013

	<i>Note</i>	Separate financial statements				Other components	
		Issued and paid-up share capital	Discount on ordinary shares	<u>Retained earnings (Deficit)</u>		<u>of equity</u>	
				Appropriated legal reserve	Deficit	Net change in fair value of available - for - sale investments	
Balance as at 1 January 2012		4,273,184,826	(1,469,035,533)	400,000	(2,745,237,239)	-	59,312,054
Issue of ordinary shares	30	2,429,746,940	(2,186,772,246)	-	-	-	242,974,694
Total comprehensive income (loss) for the year		-	-	-	(197,307,467)	-	(197,307,467)
Balance as at 31 December 2012		6,702,931,766	(3,655,807,779)	400,000	(2,942,544,706)	-	104,979,281
Balance as at 1 January 2013		6,702,931,766	(3,655,807,779)	400,000	(2,942,544,706)	-	104,979,281
Issue of ordinary shares	30	5,299,076,234	(3,931,881,882)	-	-	-	1,367,194,352
Total comprehensive income (loss) for the period		-	-	-	100,855,383	548,750	101,404,133
Balance as at 31 December 2013		12,002,008,000	(7,587,689,661)	400,000	(2,841,689,323)	548,750	1,573,577,766

The International Engineering Public Company Limited and its Subsidiaries

Statements of cash flows

For the year ended 31 December 2013

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2013	2012	2013	2012
		<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>					
Profit (loss) for the year		60,904,045	(288,758,290)	100,855,383	(197,307,467)
<i>Adjustment for</i>					
Interest income		(2,429,920)	(3,743,154)	(31,789,889)	(15,899,437)
Interest expenses		43,189,696	65,291,404	2,580,877	20,429,734
Depreciation and amortization		13,041,675	21,260,065	6,394,213	17,116,228
Bad debt expense		4,463,235	-	4,463,235	-
Doubtful debts expense (reversal)		749,743	2,310,393	14,069,576	(958,284)
Reversal allowance for diminution in value of inventories		(6,190,807)	(6,896,205)	(3,744,271)	(1,963,454)
Written off of withholding tax (reversal)		947,030	(808,347)	-	-
(Gain) Loss on sale of investment in subsidiaries		(1,120,230)	8,369,167	2,900,000	4,722,986
Gain on debt restructuring		(316,368,344)	-	-	-
Loss on write off equipment and intangible assets		1,880,063	8,227,583	253,600	8,227,583
Provisions loss from liabilities		36,228,586	-	486,086	4,395,372
Reversal of provision		-	(2,307,227)	(577,245,892)	(2,307,227)
Employee benefit expenses		1,535,524	1,209,715	775,545	457,723
(Gain) loss on disposals of equipment		2,134,854	3,650,324	961,396	3,661,753
(Gain) loss on disposals of leasehold rights		-	(2,249,706)	-	(2,249,706)
Loss on impairment of assets		61,926,738	83,495,399	64,163,516	82,932,265
Loss on devaluation of investment		-	-	351,669,673	27,000,000
		<u>(99,108,112)</u>	<u>(110,948,879)</u>	<u>(63,206,952)</u>	<u>(51,741,931)</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		(12,208,705)	4,946,878	19,869,591	29,062,404
Other receivables		(5,723,141)	(22,531,803)	34,116,055	52,805
Inventories		(113,682,736)	45,233,289	(135,264,196)	66,410,133
Other non-current assets		6,345,030	(196,059)	3,898,768	1,600,680
Trade accounts payable		23,021,378	(36,522,706)	36,796,167	(43,385,811)
Other payables		137,246,312	(57,079,364)	88,538,803	(18,172,737)
Other non-current liabilities		29,030	1,663,208	(422,777)	1,663,207
Withholding tax received		14,883,676	845,147	14,883,676	-
Withholding tax paid		<u>(5,364,637)</u>	<u>(2,042,703)</u>	<u>(4,558,578)</u>	<u>(1,868,714)</u>
Net cash used in operating activities		<u>(54,561,905)</u>	<u>(176,632,992)</u>	<u>(5,349,443)</u>	<u>(16,379,964)</u>

The International Engineering Public Company Limited and its Subsidiaries

Statements of cash flows

For the year ended 31 December 2013

	Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	3,351,299	6,233,894	6,662,601	10,100,404
Pledged deposits at financial institutions	(29,506,469)	241,492,505	(33,748,526)	242,796,136
Purchase of plant and equipment	(707,813,044)	(292,285,424)	(8,792,276)	(27,018,046)
Sales of plant and equipment	1,148,026	28,346,654	955,608	27,701,782
Purchase of intangible assets	(72,079)	-	-	-
Sale of intangible assets	-	2,459	-	193
Sales of leasehold rights	-	4,120,000	-	4,120,000
Purchase deferred transmission line system	(7,636,589)	-	-	-
Repayment for short-term loans to related parties	-	-	(564,420,000)	(180,150,000)
Proceeds from short-term loans to related parties	-	-	44,092,765	83,312,000
Advance payment for assets	(9,536,000)	(4,000,000)	-	-
Net payment from purchase of investment in subsidiary	(110,000,000)	-	-	-
Purchase of investment in subsidiary	-	-	(572,600,000)	(32,000,000)
Proceeds from sale of investment in subsidiaries	2,100,000	8,514,113	2,100,000	11,000,000
Net cash provided by (used in) investing activities	(857,964,856)	(7,575,799)	(1,125,749,828)	139,862,469
<i>Cash flows from financing activities</i>				
Interest paid	(5,102,317)	(48,470,180)	(2,580,877)	(21,600,866)
Bank overdrafts and short-term loans from financial institutions	(382,149)	(216,964,308)	(7,360,597)	(231,134,670)
Proceeds from short-term loans from related parties	119,330,000	17,000,000	33,000,000	9,000,000
Repayments for short-term loans from related parties	(34,330,000)	(35,000,000)	(33,000,000)	(27,000,000)
Proceeds from short-term loans from non-related persons	77,000,000	89,400,000	77,000,000	89,400,000
Repayments for short-term loans from non-related persons	(77,000,000)	(126,770,000)	(77,000,000)	(128,400,000)
Proceeds from long-term loans from financial institutions	-	214,422,000	-	-
Repayment for long-term loans from financial institutions	(10,887,264)	(118,736)	-	-
Repayment for loans from debt restructuring agreement	(310,000,000)	-	-	-
Finance lease payments	(832,981)	(800,288)	-	-
Proceeds from issue of increased share capital	1,367,194,352	442,974,694	1,367,194,352	242,974,694
Net cash provided by (used in) financing activities	1,124,989,641	335,673,182	1,357,252,878	(66,760,842)

The International Engineering Public Company Limited and its Subsidiaries

Statements of cash flows

For the year ended 31 December 2013

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2013	2012	2013	2012
		<i>(in Baht)</i>			
Net increase (decrease) in cash and cash equivalents		212,462,880	151,464,391	226,153,607	56,721,663
Cash and cash equivalents at beginning of year	7	169,522,934	18,326,733	69,592,406	12,870,743
Cash and cash equivalents of subsidiary transferred					
from (to) assets held for sale	33	268,190	(268,190)	-	-
Cash and cash equivalents of subsidiaries					
as of disposal date	5	<u>(4,349,570)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at ending of period	7	<u>377,904,434</u>	<u>169,522,934</u>	<u>295,746,013</u>	<u>69,592,406</u>
 <i>Non - cash transactions</i>					
Accrued interest expenses is recorded as cost of					
construction in progress.	14	3,044,882	-	-	-
Transfer of leasehold rights	15	-	25,680,000	-	25,680,000
Transfer of advance payment for asset	20	-	43,676,037	-	43,676,037

The International Engineering Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2013

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These notes form an integral part of the financial statements.

The financial statements were authorized for issue by the Board of Directors on 26 February 2014.

1. General information

The International Engineering Public Company Limited “the Company” is incorporated in Thailand and has its registered office at 408/37, Phaholyothin Place, 9th Floor, Phaholyothin Road, Samsennai, Phayathai, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 13 May 1993.

The Company’s first five major shareholders as at 7 January 2014 were as follows:

	<i>(% of paid-up share capital)</i>
1. Mr. Worapat Witchavut	4.83
2. Mr. Tischuan Nanawaratorn	4.17
3. Mrs. Usanee Kamolsantisuk	3.39
4. Thai NVDR Co.,Ltd.	1.88
5. Mr. Bhusana Premanode	1.67

The principal activities of the Company are distributing mobile phones and engineering products, and providing services on installation and implementation of information technology system and generating electricity from waste and solar energy.

Details of the Company’s subsidiaries were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			2013	2012
<i>Direct subsidiaries</i>				
1. IEC Green Energy Co., Ltd.	Providing consulting in research and development, distributing the products regarding technology for environmental management, and development of all energy and alternative energy	Thailand	100	100
2. IEC Technology Co., Ltd.	Information technology service	Thailand	100	100
3. IEC Distribution SystemCo., Ltd.	Repairing services for mobile phones and accessories (temporarily closed and on 6 December 2013, the Company disposed the investment in such subsidiary)	Thailand	-	100
4. IEC Business Partners Co., Ltd.	Investments(discontinued operations since 18 January 2012 to 28 November 2013)	Thailand	100	100

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			2013	2012
5. ISD (2012) Co., Ltd.	Sale of mobile phones sim card (on 2 December 2013 the Company disposed the investment in such subsidiary)	Thailand	-	100
6. NFS (2010) Co., Ltd.	Sale of mobile phones (since 13 July 2012)	Thailand	100	100
7. Super Dream Power Co., Ltd.	Operating electricity plant from solar cell (commercial operations on 26 December 2013)	Thailand	100	-
<i>Indirect subsidiaries</i>				
8. GIDEC Co., Ltd.	Operating electricity plant from waste (in the process of construction)	Thailand	50	50
9. Team Solar Co., Ltd.	Operating electricity plant from solar cell (commercial operations on 23 September 2013)	Thailand	100	100
10. Maetang Solar Co., Ltd.	Operating electricity plant from solar cell (since 9 July 2012 had not operated yet and already registered close the company on 6 January 2014)	Thailand	100	100

The Extraordinary General Meeting of Maetang Solar Co., Ltd. held on 31 December 2013 unanimously passed a resolution to dismiss the company and appoint a liquidator for the company, due to at the presently, the Company did not have any assets and no operations. On 6 January 2014, the registrar registered the dissolution of the company.

2. Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including guidelines promulgated by the Federation of Accounting Professions (“FAP”), applicable rules and regulations of the Securities and Exchange Commission.

The FAP issued the new and revised Thai Financial Reporting Standards (“TFRS”) which relevant to the Group/Company’s operations and effective for accounting periods beginning on or after 1 January 2013 were as follows:

The adoption of these new and revised TFRS does not have any material impact on the financial statements as described in note 4 to the financial statements.

TFRS	Topic
TAS	
TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosures of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rate
TFRS	
TFRS 8	Operating Segments
TSIC	
TSIC 10	Government Assistance – No Specific Relation to Operating Activities
TSIC 21	Income Taxes – Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
FAP’S Announcement 34/2555	Accounting Guidance for Transfers of Financial Assets

In addition to the above new and revised TFRS as at 31 December 2013, the FAP had issued a number of other new and revised TFRS which are effective for financial statements beginning on or after 1 January 2014 and have not been adopted in the preparation of these financial statements. These new and revised TFRS which relevant to the Group/Company’s operations are disclosed in note 51 to the financial statements.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as stated in the accounting policies.

2.3 Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group/the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand/million.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements, is included in the following notes:-

Notes 14, 15, 16, 17 and 18	Measurement of the recoverable amounts of cash – generating units
Note 27	Lease classification
Note 28	The assumptions of discount rate, future salary increase rate, staff turnover rate, mortality rate and disability rate.
Note 44	Valuation of financial instruments
Notes 29 and 46	Provisions and contingencies

Significant accounting judgments and estimates are summarized as follows:

Allowance for impairment of assets

The Company/Group determines assets as impaired when there is any indication of impairment and a significant decline in the fair value of those assets. Recoverable amount of assets is estimated basing on the management’s judgement.

Allowance for impairment of equity securities

The Company/Group determines other investments as impaired when the management judges that there is a significant or prolonged declined in the fair value below their cost.

Estimated loss on liabilities of the subsidiaries and associated

The management makes subjective judgements and estimates regarding loss on liabilities to other person based on ownership interest in those subsidiaries and associated.

Litigation

The Company/Group has contingent liabilities as a result of litigation. The management has used judgement to assess the outcome of the litigation and believes that no loss will be incurred, therefore, no contingent liabilities are recorded as at the end of reporting period.

Employee benefits obligation

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

- 2.5** The consolidated and separate financial statements for the year ended 31 December 2013 and 2012 included investment in an associate (Micronetic Public Company Limited), which was accounted for by using the unaudited financial statements of such associate due to liquidity problem that caused the associate did not provide the audited annual financial statements. However, the Company’s management set up an allowance for devaluation of investments and a provision in full in the financial statements for 2013 and 2012.

The financial information of associate referred to above was as follows:

	Ownership interest	
	2013	2012
	(%)	
<i>Associated company</i>		
Micronetic Public Company Limited	38.61	38.61

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Statement of financial position information				
Investment in associated	25	25	25	25
Allowance for devaluation of investments	(25)	(25)	(25)	(25)

Therefore, until 31 December 2013 and 2012, the Company had no financial information of such associate because of the above reasons.

2.6 Discontinued operations

The Board of Directors Meeting held on 18 January 2012, passed the resolution to dispose the investment in subsidiary, IEC Business Partners Co., Ltd. (“IEC BP”) to other company. The Company also entered into a purchase and sale agreement with an acquirer. The Company then adopted TFRS 5 (Revised 2009) “Non-current Assets Held for Sale and Discontinued Operations” by classifying as assets held for sale and liabilities relating to assets held for sale, which was presented separately in current assets and current liabilities in the consolidated and separate financial statements as at 31 December 2012. Subsequently, on 11 November 2013, the Company cancelled the agreement of dispose the investment in subsidiary (“IEC BP”) as described in note 33 to the financial statement.

2.7 Going Concern

As shown in the financial statements, the Group / Company have continuously incurred losses from principal business and had negative cash flows from operating activity. Due to the Group has been in the process of construct the remaining energy project which could sale electricity in the first quarter of 2014 and had 2 projects which began to earn the income from sale electricity on September 2013 and December 2013 and has been upward trend. However, the Group/Company’s operations have been continued the upward trend including the contentious cases which have been still in the judicial process, begin to unravel. Especially, the case, which disputed with the financial institution in ethanol project, was closed due to the debt settlement of the subsidiary under a debts restructuring agreement. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the ability of the Group/Company to continue as going concerns. The financial statements have been prepared on a going concern basis. If the Group/Company are unable to continue in existence, adjustments would have to be made to reduce the value of assets to their recoverable amounts, to provide for any additional liabilities that might arise and to reclassify assets and liabilities. However, the Group/Company have been in the rectifying process and emphasizing energy business, information technology business and researching and developing the Company’s new products.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 4 to the financial statement, which addresses changes in accounting policies.

3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

Business combinations

The Group applies the acquisition method for business combinations.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group/Company takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non- controlling interests even if doing so causes the non- controlling interests to have a deficit balance.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates are accounted for in the consolidated financial statements using the equity method and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group’s share of profit or loss and other comprehensive income, from the date that significant influence commences until the date that significant influence ceases. When the Group’s share of losses exceeds its interest in an associate, the Group’s carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht, which is the Group's functional currency at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht, which is the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht, which is the functional currency using the foreign exchange rates ruling at the dates of the transactions.

Foreign currency differences arising on retranslation are generally recognized in profit or loss.

3.3 Derivative financial instruments

Derivative financial instruments are used to manage exposure to foreign exchange, interest rate arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are recognised initially at fair value, attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

The fair value of forward exchange contracts is based on their listed market price at the reporting date.

3.4 Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

3.5 Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

3.6 Inventories

Inventories are stated at the lower of cost and net realizable value.

Cost is calculated using the moving average cost and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In case of work in process, cost includes spare parts and supplies, labor cost including appropriate share of costs based on service to be provided.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.7 *Assets classified as held for sale and liabilities relating to assets as held for sale*

Assets, liabilities and non-controlling interests in subsidiary in which are intended to dispose such investment in total within 1 year, are reclassified as assets classified as held for sale, liabilities relating to assets classified as held for sale and non-controlling interests relating to assets classified as held for sale. And in the separate financial statements, the Company has reclassified investments in subsidiary as assets classified as held for sale.

Net assets of discontinued operations held for sale are stated at the lower of cost or fair value after deduction with selling expenses.

3.8 *Investments*

Investments in subsidiaries and associate

Investments in subsidiaries and associate in the separate financial statements are accounted for using the cost method less an allowance for devaluation of investments. Investments in associate in the consolidated financial statements are accounted for using the equity method.

Investments in other equity securities

Marketable equity securities other than those securities held for trading are classified as available-for-sale. Available-for-sale investments, subsequent to initial recognition, are stated at fair value, and changes therein, other than impairment losses are recognized in equity. Impair losses are recognized in profit or loss. When these investments are disposed and derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss. If the Group/Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

3.9 *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items for major components of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Leased assets

Leases in terms of which the Group/Company substantially assumes all the risk and rewards of ownership are classified as finance leases. Equipments acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group/Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Land improvement	25	years
Buildings	20	years
Leasehold building improvement	5	years
Electricity generating from solar energy plant with equipment	25	years
Leased equipment	5	years
Tools and equipment	5	years
Furniture, fixtures and office equipment	5	years
Vehicles	5	years
Land and construction in progress	No depreciation	

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.10 Other intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries. The measurement of goodwill at initial recognition is mentioned in note 5 to the financial statement. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Group / the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives are as follows:

Software licences	5	years
Right of using the technology	25	years when the Company commences in commercial operations

Amortisation methods and useful lives are reviewed at each financial year-end and adjusted if appropriate.

3.11 Leasehold rights

Leasehold rights that are acquired by the Group/the Company, which have finite useful lives, are stated at cost less accumulated amortisation and impairment losses. Leasehold rights are amortized in the profit or loss on a straight-line basis over the estimated useful lives of 3-5 years.

3.12 Deferred transmission facilities

Deferred transmission facilities which are acquired by the Group are stated at cost less accumulated amortization. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of 25 years.

Amortization methods and useful lives are reviewed at each financial year-end and adjusted if appropriate.

3.13 Impairment

The carrying amounts of the Group's/Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised. For financial assets carried at amortised cost, the reversal is recognised in profit or loss.

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.14 *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

3.15 *Trade and other payables*

Trade and other payables are stated at cost.

3.16 *Employee benefits*

Short – term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

Post – employment benefit plans and other long-term employee benefits

Defined contribution plans

The Group/the Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group / the Company. The fund's assets are held in a separate trust fund and the Group / the Company's contributions are recognized as expenses when incurred.

Post – employment benefit plans

The Company has obligations in respect of the pensions that it must make to employees upon retirement under the labor law. The Company treats these pension obligations as the post – employment benefit plan.

The obligation under the post-employment benefits is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and disability rates as described in note 28 to the financial statements.

Actuarial gains and losses arising from post – employment benefits are recognized in immediately in profit or loss.

3.17 Provisions

A provision is recognised when the Group/Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

3.18 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

3.19 Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Service income on engineering is recognized by reference to the stage of completion.

Revenue and cost incurred from installation and implementation of information technology system are recognized in profit or loss by reference to the stage of completion of the contract activity. The stage of completion is assessed by reference to surveys of work performed. When the outcome of service contract cannot be estimated reliably, installment service revenue is recognized only to the extent of contract cost incurred that are likely to be recoverable. An expected loss on a service contract is recognized immediately in profit or loss.

Revenue from distribute electricity and revenue from adder price are recognized when electricity is delivered to and accepted by the customer.

Other service income is recognized as services are provided

Interest and other income

Interest income is recognised in profit or loss as it accrues. Dividend income is recognised in profit or loss on the date the Group/the Company's right to receive payments is established.

Other income is recognized on an accrual basis.

3.20 Expenses

Expenses are recognized on the accrual basis.

Operating leases

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Finance costs

Finance costs comprise interest expense on borrowings and similar costs that are charged to the profit or loss for the period in which they are incurred.

Borrowing costs that are not directly attributable to the acquisition or construction of a qualifying asset are recognised in profit or loss using the effective interest method.

3.21 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of the reporting period.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.22 Discontinued operations

A discontinued operation is a component of the Group's/Company's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

3.23 Earnings (loss) per share

The Group/the Company present basic earnings (loss) per share and diluted earnings (loss) per share as follow:

Basic earnings (loss) per share for ordinary share is calculated by dividing the profit or loss for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings (loss) per share is calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year after adjusting the effects of dilutive potential ordinary shares.

4. Changes in accounting policies

Since on 1 January 2013, consequent to the adoption of new and revised TFRS and FAP Announcement as disclosed in note 2 to the financial statements, the Group / Company has changed the accounting policies in the following areas:

4.1 Accounting for income tax

The principal change introduced by TAS 12 is the requirement to account for deferred tax assets and liabilities in the financial statements. Deferred tax assets and liabilities are the amount of income taxes recoverable and payable, respectively in future periods in respect of temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the amount of the assets or liabilities for tax purposes and the carry forward of unused tax losses. The accounting policy for deterred tax is described in note 3.21 to the financial statements.

The Group/Company adopted TAS 12 with effect from 1 January 2013 which has not had a significant impact on the Group / Company's reported assets, liabilities or retained earnings.

4.2 Accounting for the effects of changes in foreign exchange rates

From 1 January 2013, the Group/Company has adopted TAS 21 (revised 2009) "The Effects of Change in Foreign Exchange Rates".

Management has determined that the functional currency of the Company is Thai Baht and that the adoption of TAS 21 from 1 January 2013 has not had a significant impact on the Group/Company's reported assets, liabilities or retained earnings.

4.3 Presentation of information on operating segments

From 1 January 2013, the Group/Company has adopted TFRS 8 "Operating Segments". The new policy for presentation of information on operating segments has been applied retrospectively and

segment information included in the 2012 financial statements, which are included in the Group's/Company's 2013 financial statements for comparative purposes, has been re-presented accordingly. The change in policy only impacts presentational aspects and has no impact on the Group's/Company's reported assets, liabilities, results or earnings per share.

5. Acquisition and disposal of subsidiaries

The Board of Directors Meeting of the Company ("IEC") held on 4 January 2013 had resolutions as follows:

- Approve the Company acquired the ordinary shares of Super Dream Power Co., Ltd. ("SDP") from the existing shareholder (Con Solar Equipment Co., Ltd.) for 9,898 shares or 98.98% of registered and paid-up share capital. The carrying value of ordinary share of Super Dream Power Co., Ltd. as at 31 December 2011 was Baht 99.70 per share and the Company acquired at the selling price of Baht 11,113.36 per share, totaling value of investment amounted to Baht 110 million. The Company used the total value of consideration basis which was estimated by the Company's management.
- The Company entered into a purchase and sale agreement for share acquisition on 7 January 2013. The payment was settled at the agreement date in the amount of Baht 90 million and another of Baht 20 million on 30 January 2013.
- Such acquisition is to invest in project of electricity generating from solar energy for 5.25 Megawatt at Tak province. The construction budget of electricity plant amounted to Baht 383 million. "SDP" had an electricity sale agreement with Provincial Electricity Authority ("PEA") dated 24 August 2012, for a period of 5 years with automatic renewal every 5 years. Under the term of agreement, SDP will obtain the adder from PEA in the amount of Baht 6.50 per unit. Due to require selling electricity being on 10 February 2013. Subsequently, SDP has secondly filed to extend the period and PEA approved to postpone the date of selling electricity to 6 November 2013 and the Company start the selling of electricity to PEA on 26 December 2013.

The Company assessed assets and liabilities of Super Dream Power Co., Ltd. ("subsidiary") at fair value basing on the financial information, which had been audited by other auditor, and assumed that such acquisition based on net assets of the subsidiary arose on the date of acquisition would have been the same if the acquisition had occurred on 7 January 2013. Valuation of assets and liabilities which acquired as of acquisition date comprised.

	Fair value <i>(in thousand Baht)</i>
Guarantee receivables	1,050
Trade and other payables	(11)
Short term loans	(70)
Net identifiable assets and liabilities	969
Goodwill on acquisition	109,031
Consideration paid	110,000
Net cash outflow from business acquisition	(110,000)
Net cash flow	-

Sale of the subsidiary

The Board of Directors Meeting of the Company held on 2 December 2013 passed the resolution to sell all investment in ordinary shares of 2 subsidiaries, ISD (2012) Co., Ltd. (of 500,000 shares in ownership interest of 100%) and IEC Distribution SystemCo., Ltd. (of 11,200,000 shares in ownership interest of 100%) to 2 non-related persons (Mr. Taweechok Lalitsasivimol and Mr. Prajade Thiravat) as follows:

- On 2 December 2013, the Company entered into an agreement to sell shares of ISD (2012) Co., Ltd. in the price of Baht 4 per share totaling Baht 2,000,000 and the book value of Baht 4.59 per share, which resulted to loss from sale of investment of Baht 3 million in consolidated and separate financial statements. On 2 December 2013, the Company already received the payment amounting to Baht 2,000,000 million.
- On 6 December 2013, the Company entered into an agreement to sell shares of IEC Distribution SystemCo., Ltd. in the price of Baht 0.0089 per share totaling Baht 100,000 and the book value of Baht (0.1174) per share, which resulted to gain from sale of investment of Baht 100,000 in consolidated and separate financial statements. On 6 December 2013, the Company already received the payment amounting to Baht 100,000 million.
- The selling price of ordinary shares of such subsidiaries was estimated by the Company's management in order to resolve the subsidiary's operations which were not compliance with the plan and mitigate the effects of future losses.

The significant financial information of ISD (2012) Co., Ltd. and IEC Distribution SystemCo., Ltd. as at the selling date were as follows:

	ISD (2012) Co., Ltd.	IEC Distribution SystemCo., Ltd. (Baht)	Total
<i>Assets</i>			
Cash and cash equivalents	4,344,660	4,910	4,349,570
Trade accounts receivable	496,534	-	496,534
Other receivables	1,047,198	199,183	1,246,381
Inventories	4,864,397	-	4,864,397
Property, plant and equipment	136,188	-	136,188
Intangible assets	-	4	4
Pledged deposits at bank	1,000,000	-	1,000,000
Other non-current assets	107,000	-	107,000
Total assets	11,995,977	204,097	12,200,074
<i>Liabilities</i>			
Bank overdrafts	22,360	2,050	24,410
Trade account payables	-	797,257	797,257
Other payables	1,599,204	642,703	2,241,907
Short-term loans	7,000,000	-	7,000,000
Employee benefit obligations	1,079,658	-	1,079,658
Other non-current liabilities	-	77,073	77,073
Total liabilities	9,701,222	1,519,083	11,220,305
Net assets (liabilities)	2,294,755	(1,314,986)	979,769
Investment value based on proportion of the Company	5,000,000	-	5,000,000
Less : Investment selling price	(2,000,000)	(100,000)	(2,100,000)
Gain (loss) on sales of investments	(3,000,000)	100,000	(2,900,000)
Investment selling price	2,000,000	100,000	2,100,000
Less : Cash and cash equivalents of subsidiaries	(4,344,660)	(4,910)	(4,349,570)
Net cash received (paid) from investments	(2,344,660)	95,090	(2,249,570)

The operations of ISD (2012) Co., Ltd. and IEC Distribution SystemCo., Ltd. as from 1 January 2013 to the selling date were as follows:

	ISD (2012) Co., Ltd.	IEC Distribution SystemCo., Ltd. (Baht)	Total
Revenues	356,925,436	664,875	357,590,311
Expenses	357,925,577	71,475	357,997,052
Net profit (loss)	(1,000,141)	593,400	(406,741)

6. Related party transactions and balances

For the purposes of these financial statements, parties are considered to be related to the Group/Company if the Group/Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group/Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of Incorporation/ Nationality	Natures of relationship
1. IEC Green Energy Co., Ltd.	Thailand	Subsidiary, 100% shareholding
2. IEC Technology Co., Ltd.	Thailand	Subsidiary, 100% shareholding
3. IEC Distribution System Co., Ltd.	Thailand	Subsidiary, 100% shareholding (until 6 December 2013)
4. IEC Business Partners Co., Ltd.	Thailand	Subsidiary, 100% shareholding
5. Triple Play Co., Ltd.	Thailand	Subsidiary, 100% shareholding (until 26 March 2012)
6. ISD (2012) Co., Ltd.	Thailand	Subsidiary, 100% shareholding (since 24 February 2012 to 2 December 2013)
7. NFS (2010) Co., Ltd.	Thailand	Subsidiary, 100% shareholding (since 13 July 2012)
8. Super Dream Power Co., Ltd.	Thailand	Subsidiary, 98.98% shareholding (since 7 January 2013)
9. Anya Animation Co., Ltd.	Thailand	Indirect subsidiary held by Triple Play Co., Ltd., 100% shareholding (until 26 March 2012)
10. GIDEC Co., Ltd.	Thailand	Indirect subsidiary held by IEC Green Energy Co., Ltd. 50% shareholding
11. Team Solar Co., Ltd.	Thailand	Indirect subsidiary held by IEC Green Energy Co., Ltd., 100% shareholding
12. Maetang Solar Co., Ltd.	Thailand	Indirect subsidiary held by Team Solar Co., Ltd., at 51% shareholding and IEC Green Energy Co., Ltd. at 49% shareholding
13. UFO Studio Asia Co., Ltd.	Thailand	Indirect subsidiary held by Triple Play Co., Ltd., 51% shareholding (until 26 March 2012)

Name of entities	Country of Incorporation/ Nationality	Natures of relationship
14. UFO Interactive Games Inc.	America	Related company 49% shareholding in UFO Studio Asia Co., Ltd. (until 26 March 2012)
15. Micronetic Plc.	Thailand	Associate, 38.61% shareholding
16. Ethnic Earth.Com Holdings Co., Ltd.	Thailand	Related company by shareholding
17. The M Group Plc.	Thailand	Related company by shareholding
18. Sri U-Thong Co., Ltd.	Thailand	Related company by shareholding
19. A related person	Thailand	Related person with a key management personnel of the Company (Executive Chairman)
20. Sorisa (Thailand) Co., Ltd.	Thailand	Related company with a key management personnel of the Company (Executive Chairman)
21. Electricity Generating PCL	Thailand	Related company, 50% shareholding in GIDEC Co., Ltd.,
22 Crystal Holding Co., Ltd.	Thailand	Related company, co-director and Executive Chairman is the shareholder of such related company since 30 September 2013
23. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Group/Company (whether executive or otherwise).

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sales of goods	Cost price plus profit margin of 6% in 2003 and 0.5% in 2012
Sales of fixed assets	Higher than book value
Interest income	7.25-8.5% per annum
3G Service expense	Market price
Purchase of mobile phones	Market price
Management fee	Contract price (which is not higher than employment rate)
Interest expense	7.25-8.5% per annum
Directors' and managements' remunerations represent director bonus, meeting allowance, salary and others	The amounts are approved by the Company's directors and shareholders

Significant transactions for the years ended 31 December 2013 and 2012 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Revenue				
Subsidiaries				
Sales of goods	-	-	1,066,997	109,859,660
Interest income	-	-	29,808,327	12,410,588
Other income	-	-	113,653	247,781
Expenses				
Subsidiaries				
Selling expenses	-	-	31,028	-
Administrative expenses	-	-	63,882	-
Related company				
Management fee	2,040,000	-	-	-
Interest expenses	1,832,856	-	-	-
Related person				
Interest expenses	358,243	1,516,575	298,548	1,318,852
Key management personnel compensation				
Short - term employee benefits	30,379,920	31,062,002	25,681,813	24,057,361
Post - employment benefits	1,007,717	1,310,036	658,998	847,466
Total key management Personnel compensation	<u>31,387,637</u>	<u>32,372,038</u>	<u>26,340,811</u>	<u>24,904,827</u>

Balances as at 31 December 2013 and 2012 with related parties were as follows:

Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Subsidiaries				
IEC Technology Co., Ltd.	-	-	-	1,461,453
NFS (2010) Co., Ltd.	-	-	5,778,148	30,142,952
Team Solar Co., Ltd.	-	-	36,997,488	36,997,488
Total	<u>-</u>	<u>-</u>	<u>42,775,636</u>	<u>68,601,893</u>
Less allowance for doubtful accounts	<u>-</u>	<u>-</u>	<u>(5,778,148)</u>	<u>-</u>
Net	<u>-</u>	<u>-</u>	<u>36,997,488</u>	<u>68,601,893</u>
Doubtful debts expense (reversal) for the year	<u>-</u>	<u>-</u>	<u>5,778,148</u>	<u>-</u>

Other receivables - related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in Baht)			
Other receivables and advances				
Subsidiaries				
IEC Green Energy Co., Ltd.	-	-	28,044,961	9,005,239
IEC Technology Co., Ltd.	-	-	-	2,466,154
IEC Business Partners Co., Ltd.	-	-	21,018,597	21,018,597
GIDEC Co., Ltd.	-	-	397	7,094
Team Solar Co., Ltd.	-	-	8,561	17,550
ISD (2012) Co., Ltd.	-	-	-	1,183,595
NFS (2010) Co., Ltd.	-	-	40,921	2,422,767
Super Dream Power Co., Ltd.	-	-	9,584,158	-
Associate				
Micronetic Plc.	16,658,516	16,658,516	16,658,516	16,658,516
Other related companies				
Ethnic Earth.Com Holding Co., Ltd.	8,935,247	8,935,247	8,935,247	8,935,247
The M Group Plc.	450,000,000	450,000,000	450,000,000	450,000,000
Total	<u>475,593,763</u>	<u>475,593,763</u>	<u>534,291,358</u>	<u>511,714,759</u>
Less allowance for doubtful accounts	(475,593,763)	(475,593,763)	(496,612,360)	(496,612,360)
Net	<u>-</u>	<u>-</u>	<u>37,678,998</u>	<u>15,102,399</u>
Doubtful debts expense (reversal) for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,000,087)</u>

Allowance for doubtful accounts comprise of:-

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in Baht)			
Subsidiaries				
IEC Business Partners Co., Ltd.	-	-	21,018,597	21,018,597
Associate				
Micronetic Plc.	16,658,516	16,658,516	16,658,516	16,658,516
Other related companies				
Ethnic Earth.Com Holding Co., Ltd.	8,935,247	8,935,247	8,935,247	8,935,247
The M Group Plc.	450,000,000	450,000,000	450,000,000	450,000,000
Total	<u>475,593,763</u>	<u>475,593,763</u>	<u>496,612,360</u>	<u>496,612,360</u>

Short-term loans to related parties

	Interest rate		Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012	2013	2012
	(%)		<i>(in Baht)</i>			
Short-term loans						
Subsidiaries						
IEC Green Energy Co., Ltd.	8.5	7.25-8.5	-	-	437,280,000	155,720,000
IEC Technology Co., Ltd.	-	7.25-8.5	-	-	-	27,206,000
IEC Business Partner Co., Ltd.	No interest charged	No interest charged	-	-	173,216,000	164,206,000
ISD (2012) Co., Ltd.	-	8.5	-	-	-	7,000,000
Super Dream Power Co., Ltd.	8.5	-	-	-	259,500,000	-
Associates						
Micronetic Plc.	7.5-15.0	7.5-15.0	20,475,294	20,475,294	20,475,294	20,475,294
Other related companies						
Ethnic Earth.Com Holding Co., Ltd.	7.0-7.5	7.0-7.5	16,770,000	16,770,000	16,770,000	16,770,000
Total			<u>37,245,294</u>	<u>37,245,294</u>	<u>907,241,294</u>	<u>391,377,294</u>
Less allowance for doubtful accounts			(37,245,294)	(37,245,294)	(210,461,294)	(201,451,294)
Net			<u>-</u>	<u>-</u>	<u>696,780,000</u>	<u>189,926,000</u>
Doubtful expense (reversal) for the year			-	-	9,010,000	(912,000)

Allowance for doubtful accounts:-

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Subsidiaries				
IEC Business Partners Co., Ltd.	-	-	173,216,000	164,206,000
Associate				
Micronetic Plc.	20,475,294	20,475,294	20,475,294	20,475,294
Other related company				
Ethnic Earth.Com Holding Co., Ltd.	16,770,000	16,770,000	16,770,000	16,770,000
Total	<u>37,245,294</u>	<u>37,245,294</u>	<u>210,461,294</u>	<u>201,451,294</u>

Movements of short-term loans to related parties during the years ended 31 December 2013 and 2012 were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
At 1 January	37,245,294	37,245,294	391,377,294	294,539,294
Increase	-	-	564,420,000	180,150,000
Decrease	-	-	(48,556,000)	(83,312,000)
At 31 December	37,245,294	37,245,294	907,241,294	391,377,294

Investments in subsidiaries and associate were as details in Notes 11 and 12 to the financial statements.

Other payable – related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
<i>Other payable and advance</i>				
Subsidiaries				
IEC Technology Co., Ltd.	-	-	-	205,154
ISD (2012) Co., Ltd.	-	-	-	7,588
NFS (2010) Co., Ltd.	-	-	-	5,554,004
Associate				
Micronetic Plc.	346,076	346,076	250,076	250,076
Other related company				
Electricity Generating PCL.	1,832,856	-	-	-
Related person				
A director	6,716	-	-	-
Total	2,185,648	346,076	250,076	6,016,822

Short-term loans from related parties

	Interest rate		Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012	2013	2012
	<i>(%)</i>		<i>(in Baht)</i>			
<i>Short-term loans</i>						
Other related company						
Electricity Generating PCL..	8.5	-	85,000,000	-	-	-
Total			85,000,000	-	-	-

Movements of short-term loans related parties during the years ended 31 December 2013 and 2012 were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
At 1 January	-	18,000,000	-	21,300,000
Increase	119,330,000	17,000,000	33,000,000	9,000,000
Decrease	<u>(34,330,000)</u>	<u>(35,000,000)</u>	<u>(33,000,000)</u>	<u>(30,300,000)</u>
At 31 December	<u>85,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Board of Directors Meeting of the Company held on 24 April 2013, passed the resolution for the Company to borrow money from a related person (the Company's vice president and Executive Managing Directors' father) in the amount of Baht 19 million with interest rate charged at 8.5% per annum, requiring payable a principal and interest within 6 months as from the issuing promissory notes. On 15 May 2013, the Company already made the repayment of principal and interest.

The Board of Directors Meeting of the Company held on 24 October 2013, passed the resolution for the Company to borrow money from a related person (the Company's vice president and Executive Managing Directors' father) in the amount of Baht 19.5 million with interest rate charged at 8.5% per annum, requiring payable a principal and interest within 3 months as from the issuing promissory notes. The Company borrowed money in the amount of Baht 14 million and on 14 November 2013, the Company already made the repayment of principal.

Financial lease liabilities

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Related company				
Sorisa (Thailand) Co., Ltd.	<u>867,010</u>	<u>1,699,991</u>	<u>-</u>	<u>-</u>
Total	<u>867,010</u>	<u>1,699,991</u>	<u>-</u>	<u>-</u>

Provision for losses of subsidiaries and associate were detailed in note 29 to financial statements.

Directors' remuneration

The Ordinary General Meeting of Shareholders (new) held on 13 May 2013 and 18 May 2012 passed a resolution to approve the remuneration for directors, executive directors, member of the Audit Committee and member of the Investment Committee for 2013 and 2012 in the amount not exceeding Baht 7 million.

Significant agreements with related parties

On 31 January 2013, Gidec Co., Ltd. (“an indirect subsidiary”) entered into a management agreement with Electricity Generating PCL. for the period of 1 year from January to December 2013 in the monthly hiring rate of Baht 170,000. On 21 February 2014, an indirect subsidiary renewed the management agreement for the period of 1 year from January to December 2014 in the monthly hiring rate of Baht 181,000.

Commitments to its related parties were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Guarantee obligations over loans of IEC Business Partners Co., Ltd. to financial institution	-	350	-	350
Guarantee obligations CAT of IEC Technology Co., Ltd.	2	2	2	2
Guarantee 3G project of IEC Technology Co., Ltd.	3	3	3	3
Total	<u>5</u>	<u>355</u>	<u>5</u>	<u>355</u>

Please also see note 33 to the financial statements.

7. Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Cash on hand	578,311	779,799	323,448	312,944
Cash at banks – current accounts	263,592	2,110,857	39,081	85,506
Cash at banks – savings accounts	377,062,531	166,632,278	295,383,484	69,193,956
Total	<u>377,904,434</u>	<u>169,522,934</u>	<u>295,746,013</u>	<u>69,592,406</u>

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Thai Baht	376,085,513	169,364,990	293,927,092	69,434,462
US Dollar	1,649,316	-	1,649,316	-
Others	169,605	157,944	169,605	157,944
Total	<u>377,904,434</u>	<u>169,522,934</u>	<u>295,746,013</u>	<u>69,592,406</u>

8. Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Accounts tradereceivable from related parties	-	-	42,775,636	68,601,893
Accounts tradereceivable from other parties	16,754,303	14,533,937	11,661,727	5,663,622
Accrued income	-	41,999	-	41,439
Total	<u>16,754,303</u>	<u>14,575,936</u>	<u>54,437,363</u>	<u>74,306,954</u>
Less allowance for doubtful accounts	<u>(6,489,724)</u>	<u>(8,228,032)</u>	<u>(10,668,950)</u>	<u>(3,169,374)</u>
Trade accounts receivable, net	<u>10,264,579</u>	<u>6,347,904</u>	<u>43,768,413</u>	<u>71,137,580</u>
Doubtful debts expenses (reversal) for the year	<u>3,354,748</u>	<u>(2,199,983)</u>	<u>7,499,576</u>	<u>(1,607,968)</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Related companies				
Within credit terms	-	-	-	1,461,453
Overdue				
Less than 3 months	-	-	-	30,142,953
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	42,775,636	36,997,487
Total	<u>-</u>	<u>-</u>	<u>42,775,636</u>	<u>67,140,440</u>
Total trade accounts receivable	-	-	42,775,636	68,601,893
Less allowance for doubtful accounts	-	-	(5,778,148)	-
Net	<u>-</u>	<u>-</u>	<u>36,997,488</u>	<u>68,601,893</u>
Other parties				
Within credit terms	10,584,699	2,762,080	7,092,158	88,776
Overdue				
Less than 3 months	319,844	2,166,336	-	955,484
3 - 6 months	399,750	164,459	2,000	125,310
6 - 12 months	65,692	140,225	-	138,226
Over 12 months	5,384,318	9,342,836	4,567,569	4,397,265
Total	<u>6,169,604</u>	<u>11,813,856</u>	<u>4,569,569</u>	<u>5,616,285</u>
Total trade accounts receivable	16,754,303	14,575,936	11,661,727	5,705,061
Less allowance for doubtful accounts	<u>(6,489,724)</u>	<u>(8,228,032)</u>	<u>(4,890,802)</u>	<u>(3,169,374)</u>
Net	<u>10,264,579</u>	<u>6,347,904</u>	<u>6,770,925</u>	<u>2,535,687</u>
Trade accounts receivable, net	<u>10,264,579</u>	<u>6,347,904</u>	<u>43,768,413</u>	<u>71,137,580</u>

The normal credit term granted by the Group ranges from 7 days to 30 days.

Trade accounts receivable of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

9. Other receivables

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Related parties	475,593,763	475,593,763	534,291,358	511,714,760
Less allowance for doubtful accounts	<u>(475,593,763)</u>	<u>(475,593,763)</u>	<u>(496,612,360)</u>	<u>(496,612,361)</u>
Net	<u>-</u>	<u>-</u>	<u>37,678,998</u>	<u>15,102,399</u>
Other parties	199,339,946	190,781,871	76,105,115	117,995,579
Less allowance for doubtful accounts	<u>(47,249,767)</u>	<u>(49,758,609)</u>	<u>(45,492,460)</u>	<u>(47,932,460)</u>
Net	<u>152,090,179</u>	<u>141,023,262</u>	<u>30,612,655</u>	<u>70,063,119</u>
Other receivable, net	<u>152,090,179</u>	<u>141,023,262</u>	<u>68,291,653</u>	<u>85,165,518</u>
Doubtful debts expenses (reversal) for the year	<u>(2,605,005)</u>	<u>2,608,006</u>	<u>(2,440,000)</u>	<u>1,972,295</u>

Other receivable - other parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Accrued income	10,362,271	-	5,921,522	-
Prepaid expenses	8,660,612	10,769,812	1,235,250	945,703
Advance for goods	-	371,064	-	371,065
Advance payment for development project	6,000,000	6,005,014	6,000,000	6,000,000
Other advance payment	1,208,740	4,023,354	264,040	2,846,757
Accrued interest income	450,943	742,158	414,011	705,227
Value added tax recoverable	105,799,490	56,715,205	1,541,059	1,688,090
Withholding tax	19,629,534	29,528,798	18,440,149	28,765,247
Other receivables	<u>47,228,356</u>	<u>82,626,466</u>	<u>42,289,084</u>	<u>76,673,490</u>
Total	<u>199,339,946</u>	<u>190,781,871</u>	<u>76,105,115</u>	<u>117,995,579</u>
Less allowance for doubtful accounts	<u>(47,249,767)</u>	<u>(49,758,609)</u>	<u>(45,492,460)</u>	<u>(47,932,460)</u>
Other receivable, net	<u>152,090,179</u>	<u>141,023,262</u>	<u>30,612,655</u>	<u>70,063,119</u>

Other receivable of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

Investments in subsidiaries were as follows:

	Ownership Interest		Paid-up capital		Separate financial statements							
					Cost method		Allowance for devaluation of investments		At cost - net		Dividends	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	(%)		(in million Baht)				(in Baht)					
Direct subsidiaries												
IEC Green Energy Co., Ltd.	100	100	312	312	302,900,000	302,900,000	413,104	413,104	302,486,896	302,486,896	-	-
IEC Technology Co., Ltd.	100	100	248	200	244,255,000	196,255,000	237,324,673	196,255,000	6,930,327	-	-	-
IEC Business Partners Co., Ltd.	100	-	560	-	560,600,000	-	560,600,000	-	-	-	-	-
IEC Distribution System Co., Ltd.	-	100	-	112	-	112,000,000	-	112,000,000	-	-	-	-
ISD (2012) Co., Ltd.	-	100	-	5	-	5,000,000	-	-	-	5,000,000	-	-
NFS (2010) Co., Ltd.	100	100	10	10	10,000,000	10,000,000	10,000,000	10,000,000	-	-	-	-
Super Dream Power Co., Ltd.	100	-	105	-	214,000,000	-	-	-	214,000,000	-	-	-
Total					1,331,755,000	626,155,000	808,337,777	318,668,104	523,417,223	307,486,896	-	-

- IEC Green Energy Co., Ltd.

The Extraordinary Meeting of Shareholders of IEC Green Energy Co., Ltd. held on 11 November 2011 approved the increase of the Company's authorized share capital by Baht 338 million from Baht 312 million to Baht 650 million by the creation of 33,800,000 new ordinary shares of Baht 10 par value in order to raise fund to support the investment in the alternative energy business. As of 26 February 2014, the increased share capital has not been registered.

- IEC Technology Co., Ltd.

The Extraordinary Meeting of Shareholders of IEC Technology Co., Ltd. held on 12 December 2012 passed the resolution to increase the Company's authorized share capital by Baht 40 million from Baht 200 million to Baht 240 million by issuing new 4,000,000 ordinary shares of Baht 10 par value in order to enhance the liquidity for operations and investment in the project. The registration of share capital increase is made from time to time depending upon the number of share issued in each time. The share capital increase in each time is supported by the resolution of the Board of directors.

On 24 January 2013, the Board of Directors Meeting of IEC Technology Co., Ltd. passed the resolution to increase share capital (as the resolution of Extraordinary Meeting of Shareholders held on 12 December 2012) of 4,000,000 ordinary shares of Baht 10 par value. The first call-up of 75% (Baht 7.50 per shares) amounted to Baht 30 million. The Company made the payment of increased share capital on 28 January 2013. The increased share capital was registered with the Ministry of Commerce on 31 January 2013 and on 8 May 2013, the Board of Directors Meeting No. 3/2013 resolved to call-up the remaining shares by 25% of the 4,000,000 issued shares of Baht 10 par value, totaling Baht 10 million. The Company received the payment on increased share capital on 15 May 2013.

The Extraordinary Meeting of Shareholders of IEC Technology Co., Ltd. held on 19 December 2013 passed the resolution to increase the Company's authorized share capital by Baht 10 million from Baht 240 million to Baht 250 million by issuing new 1,000,000 ordinary shares of Baht 10 par value in order to enhance the liquidity for operations. The registration of share capital increase is made from time to time depending upon the number of share issued in each time. The share capital increase in each time is supported by the resolution of the Board of directors.

On 4 December 2013, the Board of Directors Meeting of IEC Technology Co., Ltd. passed the resolution to increase share capital (as the resolution of Extraordinary Meeting of Shareholders held on 19 December 2013) of 800,000 ordinary shares of Baht 10 par value. The call-up of 100% amounted to Baht 8 million. The increased share capital was registered with the Ministry of Commerce on 23 December 2013.

- IEC Business Partners Co., Ltd.

The Extraordinary Meeting of Shareholders of IEC Business Partners Co., Ltd. held on 4 January 2011 resolved to increase the Company's authorized share capital by Baht 180 million by the creation of 18,000,000 new ordinary shares of Baht 10 par value. The registration of share capital increase is made from time to time depending upon the number of share issued in each time. Subsequently, on 28 November 2013, the Extraordinary Meeting of Shareholders of IEC Business Partners Co., Ltd. resolved to cancel such increase authorized share capital and passed the resolution to increase share capital of 31,060,000 ordinary shares of Baht 10 par value in order to make the payment to the creditor under the debts restructuring agreement. The call-up of 100% amounted to Baht 310.60 million. The company made the payment of increased share capital on 28 November 2013. The increased share capital was registered with the Ministry of Commerce on 28 November 2013.

The Board of Directors Meeting No.1/2012 held on 18 January 2012, passed the resolution to dispose investment in subsidiary, IEC Business Partner Co., Ltd. (“IECBP”). As of 31 December 2012, the company classified investment in such subsidiary as assets held for sale. Subsequently, on 11 November 2013, the company cancelled the purchase and sell agreement of investment in IECBP. The company reclassified discontinued operations for the year ended 31 December 2012 to profit and loss from continuing operations as described in note 33 to the financial statements.

- Team Solar Co., Ltd. (Indirect subsidiary)

The Board of Directors Meeting of Team Solar Co., Ltd. No.3/2013 held on 27 March 2013 resolved the company enter into a construction contract and turnkey installation, and systems installation and control on solar power plant project (Mae Malai project 1 and 2) with a company.

On 8 July 2013, Team Solar Co., Ltd. entered into a construction contract and turnkey installation, and system installation and control on solar power plant project, Mae Malai 1 and Mae Malai 2, with a company in the amount of Baht 92.61 million, requiring deliverable within 31 December 2013 or within 5 months as from the date of the contractor receiving the construction site.

The Board of Directors Meeting of Team Solar Co., Ltd. held on 16 July 2013, passed the resolution as follows.

- Approve to increase share capital of 553,500 ordinary shares of Baht 100 par value (as the resolution of Extraordinary Meeting of Shareholders held on 14 June 2012) and the company registered the increased shares capital with the Ministry of Commerce on 24 July 2013.
- Approve to call-up the shares by 55% of par value. The company received the payment of shares in amount of Baht 30.44 million and registered the paid-up share capital with the Ministry of Commerce on 24 July 2013.

The Board of Directors Meeting of Team Solar Co., Ltd. held on 22 November 2013, passed the resolution to call-up the shares by 45% of par value. The company received the payment of shares in amount of Baht 24.91 million and registered the paid-up share capital with the Ministry of Commerce on 2 December 2013.

The Board of Directors Meeting of Team Solar Co., Ltd. held on 23 August 2013, passed the resolution as follows.

- Approve to enter into a purchase and sale of Line Conditioner System installation agreement on solar power plant project, Mae Malai 1 and Mae Malai 2, with a company in the amount of Baht 10.19 million. The company has entered into such agreement on 23 August 2013, requiring deliverable within 90 days as from the agreement date.
- Approve to enter into a purchase and sale of Line Conditioner System installation agreement on solar power plant project, Lumpoon 1 and Lumpoon 2, with a company in the amount of Baht 20.18 million. The company has entered into such agreement on 23 August 2013, requiring deliverable within 90 days as from the agreement date.

On 29 August 2013, the company received the license of generating control power at Lumpoon 1 and Lumpoon 2 Projects from the Energy Regulatory Office for a period of 4 years as from the issuing date. On 4 September 2013, the company received the license of generating electricity at Lumpoon 1 and Lumpoon 2 Projects from the Energy Regulatory Office for a period of 10 years as from the issuing date.

- Maetang Solar Co., Ltd. (Indirect subsidiary)

The Extraordinary Meeting of Shareholders of Maetang Solar Co., Ltd. No. 2/2012 held on 27 December 2012 passed the resolution to reduce its share capital in the amount of Baht 45 million from Baht 60 million to Baht 15 million in order to restructure its capital and registered the reduction of share capital with the Ministry of Commerce on 4 February 2013.

On 31 December 2013, the Extraordinary Meeting of Shareholders of Maetang Solar Co., Ltd. passed the resolution to close the company. The registrar registered the dissolution of the company on 6 January 2014.

- Super Dream Power Co., Ltd.

On 9 January 2013, the Board of Directors Meeting of the Company passed the resolution to rent the land for 105 rai, 1 ngan and 96 square wah at Amphur Mae ramad, Tak province, for using in the electricity generating from solar energy project, requiring the annual rental rate is not over Baht 9,400 per rai for a period of 10 years.

On 4 February 2013, the Extraordinary Shareholders Meeting of Super Dream Power Co., Ltd. No. 2/2013 passed the resolution to increase authorized share capital by Baht 99 million from Baht 1 million to Baht 100 million divided into 1 million ordinary shares of Baht 100 each. The registration of share capital is made from time to time depending upon the number of share issued in each time. The share capital increase in each time is supported by the resolution of the Board of directors. As at 31 December 2013, Super Dream Power Co., Ltd. distributed and registered the increased share capital with the Ministry of Commerce totaling Baht 99 million.

On 18 January 2013, 6 March 2013, 1 April 2013 and 30 April 2013, the Board of Directors Meeting No. 6/2013 and 8/2013, respectively, passed the resolution to issue new shares and call-up the remaining shares (According to the approval from the Extraordinary Meeting of Shareholders of Super Dream Power Co., Ltd. No. 2/2013 held on 4 February 2013) were as follows:

- Resolve to call up the shares by 66% of 490,000 share, Baht 100 per share totalling Baht 32.34 million. The Company registered the increased shares with the Ministry of Commerce on 4 February 2013.
- Resolve to call up the remaining shares by 34% of 490,000 share, Baht 100 per share totalling Baht 16.66 million. The Company registered the increased shares with the Ministry of Commerce on 11 April 2013.
- Resolve to increase share capital by 113,400 shares of Baht 100 par value, fully call-up in the amount of Baht 11.34 million. The Company registered the increased shares with the Ministry of Commerce on 11 April 2013.
- Resolve to increase share capital by 35,000 shares of Baht 100 par value, fully call-up in the amount of Baht 3.5 million. The Company registered the increased shares with the Ministry of Commerce on 7 May 2013.

On 21 and 28 May 2013, the Board of Directors Meeting No. 9/2013 and 10/2013, respectively, passed the resolution to issue new shares and call-up the remaining shares (according to the approval from the Extraordinary Meeting of Shareholders of Super Dream Power Co., Ltd. No. 2/2013 held on 4 February 2013) were as follows:

Investments in associate were as follows:

Consolidated financial statements

	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	(%)		(in million Baht)						(in Baht)			
Associate												
Micronetic Plc.	38.61	38.61	100	100	24,826,800	24,826,800	24,826,800	24,826,800	(24,826,800)	(24,826,800)	-	-
Total					24,826,800	24,826,800	24,826,800	24,826,800	(24,826,800)	(24,826,800)	-	-

Separate financial statements

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	(%)		(in million Baht)						(in Baht)			
Associate												
Micronetic Plc.	38.61	38.61	100	100	24,826,800	24,826,800	(24,826,800)	(24,826,800)	-	-	-	-
Total					24,826,800	24,826,800	(24,826,800)	(24,826,800)	-	-	-	-

13. Other long-term investments

Movements during the years ended 31 December 2013 and 2012 were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
General investments				
At 1 January	30,395,000	30,395,000	30,395,000	30,395,000
Less allowance for devaluation of investments	<u>(29,995,000)</u>	<u>(29,995,000)</u>	<u>(29,995,000)</u>	<u>(29,995,000)</u>
At 31 December	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
 Available-for-sale investments				
At 1 January	125,000	125,000	125,000	125,000
Valuation adjustment	<u>548,750</u>	<u>-</u>	<u>548,750</u>	<u>-</u>
At 31 December	<u>673,750</u>	<u>125,000</u>	<u>673,750</u>	<u>125,000</u>
 Total	<u>1,073,750</u>	<u>525,000</u>	<u>1,073,750</u>	<u>525,000</u>

Other long-term investments were as follows:

	Consolidated and separate financial statements					
	Cost method		Allowance for devaluation of investments		Cost method - net	
	2013	2012	2013	2012	2013	2012
	<i>(in Baht)</i>					
General investments						
Sri U – Thong Co., Ltd.	21,000,000	21,000,000	(21,000,000)	(21,000,000)	-	-
Ethnic Earth.Com Holding Co., Ltd.	8,995,000	8,995,000	(8,995,000)	(8,995,000)	-	-
Auto Info Co., Ltd.	400,000	400,000	-	-	400,000	400,000
Total	30,395,000	30,395,000	(29,995,000)	(29,995,000)	400,000	400,000

	Consolidated and separate financial statements					
	Cost method		Unrealized gain on change in value of investments		Fair value	
	2013	2012	2013	2012	2013	2012
	<i>(in Baht)</i>					
Available-for-sale investments						
Electricity Generating Pcl.	125,000	125,000	548,750	-	673,750	125,000

14. Property, plant and equipment

	Consolidated financial statements										
	Land	Land improvement	Buildings	Leasehold building improvement	Electricity generating from solar energy plant with equipment	Leased equipment	Tools and equipment	Furniture fixtures and office equipment	Vehicles	Assets under construction	Total
	<i>(in Baht)</i>										
Cost											
At 1 January 2012	74,816,713	-	39,584,669	122,377,342	-	643,200	17,883,206	180,112,420	18,479,989	881,102,325	1,334,999,864
Classified to assets held for sale	(20,261,322)	-	-	(19,869,549)	-	-	-	(2,970,257)	-	(447,821,540)	(490,922,668)
Deductions from sale of subsidiary	-	-	-	(5,921,467)	-	-	(2,082,172)	(38,909,862)	-	-	(46,913,501)
Additions	-	-	-	9,491,226	-	-	42,000	13,813,121	1,100,000	294,780,033	319,226,380
Transfers/Write off	-	-	6,267,500	(17,763,711)	-	-	2,029,252	(6,243,428)	-	31,915,111	16,204,724
Disposals	-	-	-	(87,023,521)	-	(638,200)	(9,746,675)	(111,392,175)	(3,787,905)	-	(212,588,476)
At 31 December 2012 and 1 January 2013	54,555,391	-	45,852,169	1,290,320	-	5,000	8,125,611	34,409,819	15,792,084	759,975,929	920,006,323
Additions	24,545	4,616,313	6,830,918	5,092,739	370,613,106	-	165,294	7,662,343	500,000	315,352,668	710,857,926
Transfers – net	(2,852,870)	2,852,870	-	138,700	232,311,672	-	33,044	166,742	-	(243,608,843)	(10,958,685)
Classified to assets held for sale	20,261,322	-	-	19,869,549	-	-	-	2,970,258	-	447,821,540	490,922,669
Deductions from sales of subsidiary	-	-	-	(68,000)	-	-	(3,389,910)	(756,462)	-	-	(4,214,372)
Disposals / Write off	-	-	-	(21,152,369)	-	(5,000)	(3,400,684)	(17,472,270)	(500,000)	-	(42,530,323)
At 31 December 2013	71,988,388	7,469,183	52,682,087	5,170,939	602,924,778	-	1,533,355	26,980,430	15,792,084	1,279,541,294	2,064,083,538

	Consolidated financial statements										
	Land	Land improvement	Buildings	Leasehold building improvement	Electricity generating from solar energy plant with equipment	Leased equipment	Tools and equipment	Furniture fixtures and office equipment	Vehicles	Assets under construction	Total
	<i>(in Baht)</i>										
Accumulated depreciation											
At 1 January 2012	-	-	3,117,443	100,309,223	-	643,180	13,994,573	143,880,389	8,017,480	-	269,962,288
Classified to assets held for sale	-	-	-	(18,548,014)	-	-	-	(2,941,005)	-	-	(21,489,019)
Deductions from sale of subsidiary	-	-	-	(4,070,347)	-	-	(1,234,937)	(14,570,500)	-	-	(19,875,784)
Depreciation charge for the year	-	-	2,036,858	4,948,986	-	-	267,270	5,358,320	2,223,149	-	14,834,583
Transfers/Write off	-	-	-	(13,573,571)	-	-	-	(2,853,058)	-	-	(16,426,629)
Disposals	-	-	-	(68,440,656)	-	(638,180)	(9,313,299)	(98,985,239)	(2,902,418)	-	(180,279,792)
At 31 December 2012 and											
1 January 2013	-	-	5,154,301	625,621	-	5,000	3,713,607	29,888,907	7,338,211	-	46,725,647
Depreciation charge for the year	-	33,971	2,293,117	624,655	2,860,439	-	123,280	1,679,890	2,291,468	-	9,906,820
Classified to assets held for sale	-	-	-	18,548,015	-	-	-	2,941,005	-	-	21,489,020
Deduction from sale of subsidiary	-	-	-	(15,032)	-	-	(1,060,876)	(421,402)	-	-	(1,497,310)
Disposals	-	-	-	(19,539,232)	-	(5,000)	(2,614,858)	(15,133,484)	(79,408)	-	(37,371,983)
At 31 December 2013	-	33,971	7,447,418	244,027	2,860,439	-	161,153	18,954,916	9,550,271	-	39,252,194

	Consolidated financial statements										
	Land	Land improvement	Buildings	Leasehold building improvement	Electricity generating from solar energy plant with equipment	Leased equipment	Tools and equipment	Furniture fixtures and office equipment	Vehicles	Assets under construction	Total
	<i>(in Baht)</i>										
Allowance for impairment losses											
At 1 January 2012	16,283,572	-	-	231,025	-	-	2,819,960	26,553,842	-	447,806,090	493,694,489
Classified to assets held for sale	(16,283,572)	-	-	(1,321,528)	-	-	-	-	-	(447,821,540)	(465,426,640)
Deductions from sale of subsidiary	-	-	-	-	-	-	-	(21,438,250)	-	-	(21,438,250)
Impairment loss	-	-	-	967,850	-	-	509,981	113,529	-	48,597,529	50,188,889
Transfers/Write off	-	-	-	4,473,560	-	-	-	(4,489,008)	-	15,448	-
Disposals	-	-	-	(4,290,382)	-	-	(444,058)	(134,471)	-	-	(4,868,911)
At 31 December 2012 and											
1 January 2013	-	-	-	60,525	-	-	2,885,883	605,642	-	48,597,527	52,149,577
Additions	-	-	-	-	-	-	-	-	-	33,376,996	33,376,996
Classified to assets held for sale	16,283,572	-	-	1,321,528	-	-	-	-	-	447,821,540	465,426,640
Deductions	-	-	-	(1,321,528)	-	-	-	-	-	-	(1,321,528)
Deduction from sale of subsidiary	-	-	-	-	-	-	(2,885,883)	(605,642)	-	-	(3,491,525)
At 31 December 2013	16,283,572	-	-	60,525	-	-	-	-	-	529,796,064	546,140,160

	Consolidated financial statements										
	Land	Land improvement	Buildings	Leasehold building improvement	Electricity generating from solar energy plant with equipment	Leased equipment	Tools and equipment	Furniture fixtures and office equipment	Vehicles	Assets under construction	Total
	(in Baht)										
Net book value											
- Owned assets	54,555,391	-	40,697,868	604,174	-	-	1,526,121	3,915,270	5,941,008	711,378,402	818,618,234
- Financial lease assets	-	-	-	-	-	-	-	-	2,512,865	-	2,512,865
Total at 31 December 2012	54,555,391	-	40,697,868	604,174	-	-	1,526,121	3,915,270	8,453,873	711,378,402	821,131,099
- Owned assets	55,704,816	7,435,212	45,235,669	4,866,387	583,158,285	-	1,372,202	8,025,514	4,340,619	749,745,232	1,476,789,989
- Financial lease assets	-	-	-	-	-	-	-	-	1,901,195	-	1,901,195
Total at 31 December 2013	55,704,816	7,435,212	45,235,669	4,866,387	583,158,285	-	1,372,202	8,025,514	6,241,814	749,745,232	1,478,691,184

	Separate financial statements										
	Land	Land improvement	Buildings	Leasehold building improvement	Electricity generating from solar energy plant with equipment	Leased equipment	Tools and equipment	Furniture fixtures and office equipment	Vehicles	Assets under construction	Total
	<i>(in Baht)</i>										
Cost											
At 1 January 2012	608,122	-	792,870	85,383,705	-	40,000	9,288,566	114,572,680	13,407,531	53,751,367	277,844,841
Additions	-	-	-	9,287,826	-	-	-	13,139,086	1,100,000	3,491,135	27,018,047
Transfers/Write off	-	-	-	(6,922,647)	-	-	-	(1,504,195)	-	38,011,780	29,584,938
Disposals	-	-	-	(86,888,118)	-	(40,000)	(8,067,379)	(107,173,760)	(3,787,905)	-	(205,957,162)
)			
At 31 December 2012 and 1 January 2013	608,122	-	792,870	860,766	-	-	1,221,187	19,033,811	10,719,626	95,254,282	128,490,664
Additions	-	-	-	5,092,739	-	-	-	1,625,140	-	2,074,397	8,792,276
Transfers - net	-	-	-	-	-	-	33,044	161,342	-	(10,248,424)	(10,054,038)
Disposals	-	-	-	(921,265)	-	-	(10,570)	(2,708,242)	(500,000)	-	(4,140,077)
At 31 December 2013	608,122	-	792,870	5,032,240	-	-	1,243,661	18,112,051	10,219,626	87,080,255	123,088,825
Accumulated depreciation											
At 1 January 2012	-	-	492,372	69,677,668	-	39,999	9,270,720	105,467,784	7,633,799	-	192,582,342
Depreciation charge for the year	-	-	39,725	4,631,271	-	-	14,029	4,834,756	1,205,013	-	10,724,794
Transfers - net	-	-	(17)	(5,549,609)	-	-	-	(313,887)	-	-	(5,863,513)
Disposals	-	-	-	(68,437,325)	-	(39,999)	(8,078,062)	(95,135,823)	(2,902,418)	-	(174,593,627)
At 31 December 2012 and 1 January 2013	-	-	532,080	322,005	-	-	1,206,687	14,852,830	5,936,394	-	22,849,996
Depreciation charge for the year	-	-	39,616	602,986	-	-	8,536	1,432,254	1,245,748	-	3,329,140
Disposals/write off	-	-	-	(687,900)	-	-	(10,567)	(1,191,598)	(79,408)	-	(1,969,474)
At 31 December 2013	-	-	571,696	237,091	-	-	1,204,656	15,093,486	7,102,734	-	24,209,662

	Land	Land improvement	Buildings	Leasehold building improvement	Separate financial statements			Furniture fixtures and office equipment	Vehicles	Assets under construction	Total
					Electricity generating from solar energy plant with equipment	Leased equipment	Tools and equipment				
					<i>(in Baht)</i>						
Allowance for impairment losses											
At 1 January 2012	-	-	-	565,984	-	-	-	99,166	-	-	665,150
Impairment loss	-	-	-	907,295	-	-	-	-	-	48,597,528	49,504,823
Decrease	-	-	-	(1,473,279)	-	-	-	(99,166)	-	-	(1,572,445)
At 31 December 2012 and 1 January 2013	-	-	-	-	-	-	-	-	-	48,597,528	48,597,528
Impairment loss	-	-	-	-	-	-	-	-	-	33,376,996	33,376,996
Decrease	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2013	-	-	-	-	-	-	-	-	-	81,974,524	81,974,524
Net book value											
- Owned assets	608,122	-	260,790	538,761	-	-	14,500	4,180,981	4,783,232	46,656,754	57,043,140
- Financial lease assets	-	-	-	-	-	-	-	-	-	-	-
Total at 31 December 2012	608,122	-	260,790	538,761	-	-	14,500	4,180,981	4,783,232	46,656,754	57,043,140
- Owned assets	608,122	-	221,174	4,795,149	-	-	39,005	3,018,565	3,116,892	5,105,732	16,904,639
- Financial lease assets	-	-	-	-	-	-	-	-	-	-	-
Total at 31 December 2013	608,122	-	221,174	4,795,149	-	-	39,005	3,018,565	3,116,892	5,105,732	16,904,639

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Depreciation was included in:				
Cost of sales of goods or rendering of services	2,984,177	-	-	-
Administrative expenses	6,922,643	14,834,583	3,329,140	10,724,794
Total	9,906,820	14,834,583	3,329,140	10,724,794
Impairment loss (reversal) for the year	33,376,996	(441,544,912)	33,376,996	47,932,378

	Consolidated financial statements	
	2013	2012
	<i>(in million Baht)</i>	
Borrowings cost capitalized in a part of cost of construction in progress		
Interest capitalized during the year	31	27
Accumulated interest capitalized	65	34
Capitalization rate (% per annum)	MLR-1 – MLR+1 and 8.5	MLR-1 – MLR+1

As at 31 December 2013, the book value of lands including structures existing at the present and to be constructed in the future of two subsidiaries and the related right to insurance claims on those assets have been mortgaged as collateral for obligations under loan agreements, which was summarized as follows:

	Consolidated financial statements <i>(in million Baht)</i>
Lands	13
Condominium	32
Building	6
Electricity generating from solar energy plant with equipment	253
Buildings under construction and machinery under installation	638
Total	942

Please also see notes 26, 33 and 47 to the financial statements.

Property, plant and equipment under construction

- Digital Mobile TV project

As described in Notes 20 and 45 to the financial statement, since 2010, the Company operates a portable digital television via a UHF frequency under the 58 – bands. Total budget cost amounted to Baht 250 million and actual cost incurred as of 31 December 2013 totaled Baht 154 million and the remaining amounted to Baht 96 million. At the report date, the Company has been waiting for MCOT to carry out the import permission for the radio communication equipment from the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) which resulted to delay of the project. However, the Company set up an allowance for impairment of such asset, basing on prudence, as of 31 December 2013 in the amount of Baht 147 million.

- Production of Ethanol plant project

The subsidiary (IEC Business Partners Co., Ltd.) had property, plant and equipments of which cost as at 31 December 2012 amounted to Baht 465 million less allowance for impairment loss of asset of Baht 461 million balanced to Baht 4 million. The said assets related to the contentions cases in purchasing asset from IGA that has been still in the process of the Court's consideration. As of 26 February 2014, those cases have not been finalized. Please also see Note 46 to the financial statements.

- Waste disposal and power plant from waste projects

As described in note 45 to the financial statements, since 2010, the subsidiary (GIDEC Co., Ltd.) constructed the waste disposal and generate electricity from waste plant on land under lease agreement with Hatyai Municipal, Song Kha province. Total budget cost amounted to Baht 930 million (funds from external source of Baht 400 million and from internal source of Baht 530 million). As of 31 December 2013, the actual cost incurred totaled Baht 702 million and the remaining amounted to Baht 228 million and has been expected to complete in first quarter of 2014.

- Solar power plant project for 2 projects (at Chiangmai)

The indirect subsidiary (Team Solar Co., Ltd.) constructed the solar power plant for 2 projects at Chiangmai in the budget cost amounted to Baht 221 million. As of 31 December 2013, the actual cost incurred totaled Baht 115 million and the remaining amounted to Baht 106 million and has been expected to complete in first quarter of 2014.

15. Leasehold rights

	Consolidated financial statements	Separate financial statements
	<i>(in Baht)</i>	
Cost		
At 1 January 2012	76,800,733	76,800,733
Adjusted	(1,721,477)	(1,721,477)
Decrease	(38,921,017)	(38,921,017)
At 31 December 2012 and 1 January 2013	36,158,239	36,158,239
Not change in during year	-	-
At 31 December 2013	36,158,239	36,158,239
Accumulated amortization		
At 1 January 2012	18,086,094	18,086,094
Amortization charge for the year	5,119,857	5,119,857
Adjusted	(1,721,477)	(1,721,477)
Decrease	(11,370,723)	(11,370,723)
At 31 December 2012 and 1 January 2013	10,113,751	10,113,751
Amortization charge for the year	2,015,431	2,015,431
At 31 December 2013	12,129,182	12,129,182
Net book value		
At 31 December 2012	26,044,488	26,044,488
At 31 December 2013	24,029,057	24,029,057

Amortizations for the year were included in:-

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Administrative expenses	2,015,431	5,119,857	2,015,431	5,119,857
Total	<u>2,015,431</u>	<u>5,119,857</u>	<u>2,015,431</u>	<u>5,119,857</u>

16. Goodwill

Goodwill for the year ended 31 December 2013 and 2012 were as follow:

	Consolidated financial statements	
	2013	2012
	<i>(in Baht)</i>	
Cost:		
At 1 January	136,734,184	136,734,184
Acquisitions through business combinations	109,031,150	-
As at 31 December	<u>245,765,334</u>	<u>136,734,184</u>

During the year 2013, the management and Board of Directors considered to classify rights in the agreements of Baht 137 million to goodwill (consideration from business acquisition was higher than the fair value of identifiable net assets and liabilities). Please also see Note 5 to the financial statements.

17. Deferred transmission line system

	Consolidated financial statements <i>(in Baht)</i>
<i>Cost</i>	
At 1 January 2013	-
Increase	7,636,589
At 31 December 2013	<u>7,636,589</u>
<i>Accumulated amortization</i>	
At 1 January 2013	-
Amortization charge for the year	36,973
At 31 December 2013	<u>36,973</u>
<i>Net book value</i>	
At 31 December 2013	<u>7,599,616</u>

18. Other intangible assets

	Consolidated financial statements			
	Computer software	Advance payment for computer software	Television broadcasting's right	Total
Cost				
At 1 January 2012	33,271,539	10,300,000	35,000,000	78,571,539
Classified to assets held for sale	(157,009)	-	-	(157,009)
Decrease from sale of subsidiary	(134,000)	-	-	(134,000)
Transfers – net	10,300,000	(10,300,000)	-	-
Decrease	(26,284,313)	-	-	(26,284,313)
At 31 December 2012 and 1 January 2013	16,996,217	-	35,000,000	51,996,217
Increase	72,079	-	-	72,079
Classified from assets held for sale	157,009	-	-	157,009
Decrease from sale of subsidiary	(115,996)	-	-	(115,996)
Transfers – net	904,648	-	-	904,648
Decrease	(13,659)	-	-	(13,659)
At 31 December 2013	18,000,298	-	35,000,000	53,000,298
Accumulated amortization				
At 1 January 2012	27,149,995	-	-	27,149,995
Amortization for the year	1,305,625	-	-	1,305,625
Classified to assets held for sale	(157,008)	-	-	(157,008)
Decrease from sale of subsidiary	(20,050)	-	-	(20,050)
Decrease	(20,650,868)	-	-	(20,650,868)
At 31 December 2012 and 1 January 2013	7,627,694	-	-	7,627,694
Amortization for the year	1,082,452	-	-	1,082,452
Classified to assets held for sale	157,008	-	-	157,008
Decrease from sale of subsidiary	(66,543)	-	-	(66,543)
Decrease	(9,057)	-	-	(9,057)
At 31 December 2013	8,791,554	-	-	8,791,554

	Consolidated financial statements			
	Computer software	Advance payment for computer software	Television broadcasting's right	Total
<i>Provision for impairment</i>				
At 1 January 2012	5,787,380	-	-	5,787,380
Decrease	(5,733,332)	-	-	(5,733,332)
Increase	-	-	35,000,000	35,000,000
At 31 December 2012 and 1 January 2013	54,048	-	35,000,000	35,054,048
Decrease from sale of subsidiary	(49,449)	-	-	(49,449)
Decrease	(4,599)	-	-	(4,599)
At 31 December 2013	-	-	35,000,000	35,000,000
<i>Net book value</i>				
At 31 December 2012	9,314,475	-	-	9,314,475
At 31 December 2013	9,208,744	-	-	9,208,744
	Separate financial statements			
	Computer software	Advance payment for computer software	Television broadcasting's right	Total
<i>Cost</i>				
At 1 January 2012	31,463,741	10,300,000	35,000,000	76,763,741
Transfers – net	10,300,000	(10,300,000)	-	-
Decrease	(24,914,780)	-	-	(24,914,780)
At 31 December 2012 and 1 January 2013	16,848,961	-	35,000,000	51,848,961
Decrease	(1,659)	-	-	(1,659)
At 31 December 2013	16,847,302	-	35,000,000	51,847,302
<i>Accumulated amortization</i>				
At 1 January 2012	25,558,275	-	-	25,558,275
Amortization for the year	1,271,576	-	-	1,271,576
Decrease	(19,281,367)	-	-	(19,281,367)
At 31 December 2012 and 1 January 2013	7,548,484	-	-	7,548,484
Amortization for the year	1,049,642	-	-	1,049,642
Decrease	(1,657)	-	-	(1,657)
At 31 December 2013	8,596,469	-	-	8,596,469

	Separate financial statements			Total
	Computer software	Advance payment for computer software	Television broadcasting's right	
<i>Provision for impairment</i>				
At 1 January 2012	5,633,333	-	-	5,633,333
Decrease	(5,633,333)	-	-	(5,633,333)
Increase	-	-	35,000,000	35,000,000
At 31 December 2012 and 1 January 2013	-	-	35,000,000	35,000,000
Not change during year	-	-	-	-
At 31 December 2013	-	-	35,000,000	35,000,000
<i>Net book value</i>				
At 31 December 2012	9,300,477	-	-	9,300,477
At 31 December 2013	8,250,833	-	-	8,250,833

Amortizations for the year were included in:-

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Cost of sales of goods or rendering of services	14,292	-	-	-
Administrative expenses	1,068,160	1,305,625	1,049,462	1,271,576
Total	1,082,452	1,305,625	1,049,462	1,271,576
Impairment loss (reversal) for the year	-	35,000,000	-	35,000,000

Television broadcasting's right

On 1 July 2011, the Company entered into a representative of the production and broadcast on television agreement with other company to produce and broadcast on television under the channel name "BIG 1", via the channel in Digital Mobile TV System. The television broadcast right is covered the period of 3 years of Baht 35 million from 1 July 2011 to 30 June 2014 and will be amortized as an expense when the Company commences in commercial operations and the company recognized impairment in amount of Baht 35 million. Please also see Note 14 to the financial statements.

19. Deferred Tax

Deferred tax assets (liabilities) arising from temporary difference that have not been recognized in financial statements were as follows:-

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Deductible temporary differences	435	635	352	513
Tax losses	507	594	394	471
Total	942	1,229	746	984

The tax losses expire during 2014 – 2018. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit against which the Group / Company can utilize the benefits there from.

20. Advance payment for assets

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Advance payment for equipment in Digital Mobile TV Project	30,786,520	21,255,846	30,786,520	21,255,846
Advance payment for designing Disposal of Municipal Solid Waste Plant Utilized Plasma Gasification (PG) Technology	43,547,625	43,547,625	-	-
Advance payment for assets	9,536,000	-	-	-
Advance payment for right in technology	64,000,000	64,000,000	-	-
Total	147,870,145	128,803,471	30,786,520	21,255,846
<i>Less</i> allowance for impairment	<i>(74,334,145)</i>	<i>(43,547,625)</i>	<i>(30,786,520)</i>	<i>-</i>
Net	73,536,000	85,255,846	-	21,255,846

Advance payment for equipment in Digital Mobile TV Project

As at 31 December 2013, the Company has advance payment for equipment in Digital Mobile TV Project via a UHF frequency under the 58 – bands in amount of Baht 23.35 million pursuant to the business contract between the Company and MCOT Public Company Limited. Presently, the Company has been in the process to import such equipment and set up an impairment of advance payment for this equipment in full. Please also see notes 14, 45 and 49 to the financial statements.

Advance payment for designing Disposal of Municipal Solid Waste Plant Utilized Plasma Gasification (PG) Technology

IEC Green Energy Co., Ltd. having advance payment alternative energy project represented cost of designing disposal of Municipal Solid Waste Plant Utilized Plasma Gasification (PG) Technology from the year 2009 amounted to Baht 43.55 million. In 2011, the project was temporarily stopped until the commercial returns will be appropriately possible and was set up an allowance of impairment according to the agreement in full. Presently, such project has not been proceeded.

Advance payment for right in technology

In 2010, subsidiary (GIDEC Co., Ltd.) acquired the right on Ash Melting Gasification technology and obtaining the consulting in waste disposal and power plant from waste with Solitech Co., Ltd. in order to operate waste disposal and power plant project size 6 MW with Hat yai Municipal, Song Kha province by using Ash Melting Gasification technology with Energy Recovery incinerator. Subsidiary agreed to pay compensation for the technology amounted to Baht 80 million with 4 installments. As of 31 December 2013, subsidiary already paid in the amount of Baht 64 million and a remaining amounted to Baht 16 million, the final payment, to be paid when completion. Under that agreement contains the restrictive conditions in relation to employment to perform a design of system and engineering, coordinate and control all construction and construction of waste incinerators with management system of waste, transfer the right in technology, breach of agreement which will be entitled to claim, etc.

21. Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Deposit for purchase of computer software	60,500,000	60,500,000	60,500,000	60,500,000
Deposit for producing the original learning package	21,400,000	21,400,000	21,400,000	21,400,000
Others deposits-other parties	12,446,009	17,699,632	7,283,129	11,181,897
Total	<u>94,346,009</u>	<u>99,599,632</u>	<u>89,183,129</u>	<u>93,081,897</u>
Less allowance for impairment	<u>(82,489,475)</u>	<u>(82,489,475)</u>	<u>(82,489,475)</u>	<u>(82,489,475)</u>
Net	<u>11,856,534</u>	<u>17,110,157</u>	<u>6,693,654</u>	<u>10,592,422</u>

Allowance for impairment comprised of:

Deposit for purchase of computer software	60,500,000	60,500,000	60,500,000	60,500,000
Deposit for producing the original learning package	21,400,000	21,400,000	21,400,000	21,400,000
Others deposits-other parties	589,475	589,475	589,475	589,475
Total	<u>82,489,475</u>	<u>82,489,475</u>	<u>82,489,475</u>	<u>82,489,475</u>

22. Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Bank overdrafts	7,095,693	9,946,991	2,586,394	9,946,991
Trust receipts	<u>3,289,000</u>	<u>67,005,280</u>	<u>-</u>	<u>-</u>
Total	<u>10,384,693</u>	<u>76,952,271</u>	<u>2,586,394</u>	<u>9,946,991</u>

Bank overdrafts and short-term loans from financial institutions of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

As at 31 December 2013, the Company has overdrafts line with a financial institution amount of Baht 10 million and a subsidiary has total credit line with a financial institution amount of Baht 1 million, guaranteed by common collaterals as stated in notes 26 and 47 to financial statements.

23. Trade accounts payable

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Other parties	37,937,581	16,583,989	37,937,552	1,664,750
Total	37,937,581	16,583,989	37,937,552	1,664,750

Trade accounts payable of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

24. Other payable

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Related parties	2,185,648	346,076	250,076	6,016,822
Other parties	301,730,218	95,115,709	153,625,543	59,311,107
Total	303,915,866	95,461,785	153,875,616	65,327,929

The currency denomination of other payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Thai Baht (THB)	299,865,685	92,952,200	151,188,935	62,818,344
United States Dollars (USD)	2,686,681	2,509,585	2,686,681	2,509,585
Others	1,363,500	-	-	-
Total	303,915,866	95,461,785	153,875,616	65,327,929

Other payable - Other parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Payable to purchase of fixed asset	97,684,995	-	-	-
Accrued expenses	54,273,607	25,944,845	13,947,750	12,891,838
Other payables	17,017,893	21,354,094	10,827,579	3,067,856
Customs department payables	45,056,524	43,104,847	45,056,524	43,104,847
Deposits	63,709	63,709	63,709	63,709
Advance received	84,877,016	2,185,637	83,216,294	-
Undue output tax	734,448	415,084	513,684	182,857
Accrued interest expense	2,022,026	2,047,493	-	-
Total	<u>301,730,218</u>	<u>95,115,709</u>	<u>153,625,540</u>	<u>59,311,107</u>

As at 31 December 2013, advance received in the amount of Baht 83 million in consolidated and separate financial statement represented the receiving installment under the agreement to produce a customer data management system with a public company for 1 system. The project amount was Baht 211.49 million (including VAT) with due to deliver the project within 4 July 2014. Please also see note 45 to the financial statements.

25. Short-term loans

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Related party	85,000,000	-	-	-
Other parties	-	-	-	-
Total	<u>85,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

Movements of short-term loans from other parties during the years ended 31 December 2013 and 2012 were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
At 1 January	-	35,700,000	-	35,700,000
Increase	77,000,000	89,400,000	77,000,000	89,400,000
Decrease	(77,000,000)	(125,100,000)	(77,000,000)	(125,100,000)
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Short-term loans from the former key management personnel during the year 2013 in the amount of Baht 62 million represented the promissory notes, repayable principal and interest on demand. Interest rate was charged at 8.5% per annum. The Company already made the repayment of principal and interest in the amount of Baht 1.52 million on 23 August 2013.

26. Long-term loans from financial institutions

	Consolidated financial statements	
	2013	2012
	<i>(in Baht)</i>	
Long-term loans from financial institutions	410,369,862	357,632,871
Less long-term loan in defaults	-	(216,751,607)
Less current portion of long-term loans due within one year	<u>(117,280,000)</u>	<u>(9,579,309)</u>
Net	<u>293,089,862</u>	<u>131,301,955</u>

Movements of long-term loans from financial institutions during the years ended 31 December 2013 and 2012 were as follows:

	Consolidated financial statements	
	2013	2012
	<i>(in Baht)</i>	
At 1 January	357,632,871	143,329,607
Increase	63,624,255	214,422,000
Decrease	<u>(10,887,264)</u>	<u>(118,736)</u>
At 31 December	<u>410,369,862</u>	<u>357,632,871</u>

Long-term loans from financial institutions of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

- IEC Distribution System Co., Ltd.

On 14 June 2010, IEC Distribution System Co., Ltd. (“the subsidiary”) entered into a loan agreement with a domestic financial institution (“SME Bank”) in the amount of Baht 1 million (withdrew in full), requiring repayment within 6 years with 24 months grace period from the date of first drawdown. Interest rate is charged at 3% per annum. The first year and second year payment shall be interest and third year payment shall be principal with monthly interest not less than Baht 22,000. All payment will be complete no longer than 72 months from the date of first drawdown onwards. Such loans are not guarantee. Subsequently, on 4 December 2013. The subsidiary repayment of this loan all of amount.

- GIDEC Co., Ltd.

On 27 December 2010, GIDEC Co., Ltd. (“the subsidiary”) entered into the credit facilities agreement with a domestic commercial bank (“GSB”) in the amount not exceeding Baht 400 million divided into long term loans of Baht 280 million (withdrew in full). As at 31 December 2012, loan was drawn down in amount of Baht 216.75 million, a remaining amounted to Baht 40.25 million, repayable within 7 years as from 27 December 2010, requiring grace period of 22 months, due on November 2012. Interest rate is monthly charged at MLR per annum in the first year and MLR+1% per annum from the second year onward. When the grace period is due, the subsidiary will monthly repay the principal with interest in the amount not less than Baht 8 million.

In November 2012, subsidiary has not repaid loans under agreement, resulting to it breach of loans agreement and the bank could demand the principal repayment immediately, subsidiary’s management is being negotiated for extension the repayment period. At present, the negotiation is still pending the bank’s consideration. As at 31 December 2012, long-term loans in full amount were reclassified to be current portion of long-term loans.

From May 2013 to September 2013, GIDEC Co., Ltd. (“an indirect subsidiary”) failed to comply with the term of the loan agreement with a commercial bank and the bank has the right to recall the principal immediately. On 28 August 2013, the bank approved to amend the term of credit facility of Baht 400 million with significant matters as follows.

- 1) Extending the grace period for the principal (the 3th time) to 38 months without extending an agreement period. After that, the company shall make a payment on the principal and interest from March 2014 to December 2014 with monthly payment not less than Baht 9.70 million, and from January 2015 to the end of the contract with monthly payment not less than Baht 10.40 million. The company shall send a letter to the bank in relation to the company receiving an approval to extend the construction period from Hatyai Municipal and the extension the period of sell of electricity. The Company has sent the letter to the bank already.
- 2) Extending the period of registration and mortgage of machine of 13 items to 42 months (due on 30 June 2014).
- 3) Changing the collateral conditions to assign the bank has empowered to receive the payment as a check form PEA, etc.

Subsequently, GIDEC Co., Ltd. signed in agreement for extension of the principal repayment term to be starting the first installment in March 2014.

The subsidiary’s condominium with structure thereon and indemnity from fire insurance of building, machineries, equipment and composition including the subsidiary’s share certificates were mortgaged as collateral for the above loan. In addition, the guarantee from the subsidiary’s directors was conducted in full amount of loan (please also see notes 47 and 49 to the financial statements). The following rights are transferred to the bank.

- Right of rental land owned by Hat Yai Municipal is in particular factory constructed thereon.
- Right of management is in accordance with the agreement on construction and managing community waste.
- Right of claims is in accordance with the agreement on construction and managing community waste.
- Right of management is in accordance with the electricity sale agreement.
- Right of claims is in accordance with the electricity sale agreement.

- Team Solar Co., Ltd.

On 2 May 2012, Team Solar Co., Ltd. (“subsidiary”) entered into loans from financial institution in a local bank (“CIMB”) amount of Baht 140 million (withdrew in full), as at 31 December 2013 balanced to Baht 130 million with the principal repayment within 8 years, is graced for 6 months. Interest is payable on a monthly basis at the rate of MLR-1% for the 1st - 2nd year, MLR-0.50% for the 3rd-4th year and MLR per annum for the 5th year onward. The principal is repayable after the grace of repayment amount of Baht 0.78 million (please see notes 47 and 49 to the financial statements).

From February 2013 to June 2013, Team Solar Co., Ltd. (“an indirect subsidiary”) did not make the payment under the loan agreement of Baht 7.80 million. Subsequently, the bank has approved the extension of the principal repayment term to be next 7 months (starting from January to July 2013) and the bank has deferred the difference of interest rate between normal rate and default rate until the Company completes the repayment and determined the first payment on August 2013 onward not less than Baht 1.69 million.

Such loans are guaranteed by

- Title deeds, ownership of borrower
- Solar cell and equipment used in electricity current generation, ownership of borrower
- Right to received bank deposits
- IEC Green Energy Co., Ltd. and the Company
- The Company's share capital
- Claim on receipt the payment under electricity current agreement
- 3 directors of subsidiary

27. Finance lease liabilities

	Consolidated financial statements					
	2013			2012		
	Future value of the minimum lease payment	Interest	Present value of the minimum lease payment	Future value of the minimum lease payment	Interest	Present value of the minimum lease payment
Within one year	885,960	18,950	867,010	885,960	52,979	832,981
After one year but within five years	-	-	-	885,960	18,950	867,010
Total	885,960	18,950	867,010	1,771,920	71,929	1,699,991

As at 31 December 2013 and 2012, financial lease liabilities represented a hire purchase agreements to purchase vehicle. The payment is made with 40 monthly installments of Baht 73,830. The first installments were starting from September 2011.

28. Employee benefit obligations

The Company operates a post-employment benefit based on the Company's policy and the requirement of Thai Labor Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined benefit obligations:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
<i>For the year ended 31 December</i>				
Defined benefit obligations at 1 January	3,965,502	4,101,756	2,262,610	1,804,887
Current service costs and interest	1,535,524	1,209,715	775,545	457,723
Total	5,501,026	5,311,471	3,308,155	2,262,610
Increase (Decrease) from disposal of subsidiaries	(1,079,658)	(729,635)	-	-
Increase (Decrease) from transfer to liabilities included with assets classified as held for sale	616,334	(616,334)	-	-
Defined benefit obligations at 31 December	5,037,702	3,965,502	3,308,155	2,262,610

Expense recognized in profit or loss for the year ended 31 December 2013 and 2012 in the following items:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Administrative expense	1,535,524	1,209,715	775,545	457,723
Total	1,535,524	1,209,715	775,545	457,723

Principal actuarial assumptions at the reporting date

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
<i>For the year ended 31 December</i>				
Discount rate	3.21 – 4.21	3.21 – 4.21	3.86	3.86
Salary increase rate	3	3	3	3
Staff turnover rate (depend on working year)	0.00 - 41.00	0.00 - 41.00	0.00 - 41.00	0.00 - 41.00
Mortality rate (Thai Mortality Ordinary Table year 1997)	TMO 08	TMO 08	TMO 008	TMO 08
Disability rate	5.00 of TMO 08	5.00 of TMO 08	5.00 of TMO 008	5.00 of TMO 08

29. Provisions

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
<i>Current:</i>				
Provision for penalty under the contract	35,742,500	-	-	-
<i>Non - current:</i>				
Provision on lawsuit from the Customs Department and payable on assets	38,205,953	29,394,042	29,880,128	29,394,042
Provision for loss of subsidiaries	-	-	77,941,443	26,263,369
	<u>38,205,953</u>	<u>29,394,042</u>	<u>107,821,571</u>	<u>55,657,411</u>
Total	73,948,453	29,394,042	107,821,571	55,657,411

Movements for the years ended 31 December 2013 and 2012 were as follows:

	Consolidated financial statements							
	Provision on lawsuit from the Customs Department and payable on assets		Provisions for loss of subsidiaries		Provision for penalty under the contract		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	<i>(in Baht)</i>							
At 1 January	29,394,042	56,352,470	-	-	-	-	29,394,042	56,352,470
Provisions made	486,086	857,028	-	-	35,742,500	-	36,228,586	857,028
Transfer to other payable	-	(19,489,631)	-	-	-	-	-	(19,489,631)
Classified to liabilities included with assets held for sale	8,325,825	(8,325,825)	-	-	-	-	8,325,825	(8,325,825)
At 31 December	38,205,953	29,394,042	-	-	35,742,500	-	73,948,453	29,394,042

	Separate financial statements							
	Provision on lawsuit from the Customs Department and payable on assets		Provisions for loss of subsidiaries		Provision for penalty the under contract		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	<i>(in Baht)</i>							
At 1 January	29,394,042	48,026,645	26,263,369	650,791,963	-	-	55,657,411	698,818,608
Provisions made	486,086	857,028	-	4,395,372	-	-	486,087	5,252,400
Transfer to other payable	-	(19,489,631)	-	-	-	-	-	(19,489,631)
Classified to liabilities included with assets held for sale (cancelling the reclassification)	-	-	628,923,966	(628,923,966)	-	-	628,923,966	(628,923,966)
Provisions reversed	-	-	(577,245,892)	-	-	-	(577,245,892)	-
At 31 December	29,880,128	29,394,042	77,941,443	26,263,369	-	-	107,821,571	55,657,411

- **Provision on lawsuits from the Customs Department and payable on assets**

As at 31 December 2013 and 2012, the Company recognized a provision on lawsuit from the Customs Department amounting to Baht 30 million and Baht 29 million, respectively as the details in the note 46 to the financial statements.

- **Provision for loss of subsidiaries**

The Company recognized a provision due to guarantee for loss of subsidiaries according to the agreement to share the burden of external debt which were summarized as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Subsidiaries				
IEC Technology Co., Ltd.	-	-	-	21,332,039
IEC Business Partners Co., Ltd.	-	-	77,941,443	-
NFS (2010) Co., Ltd.	-	-	-	4,395,373
IEC Distribution System Co., Ltd.	-	-	-	535,957
Total	<u>-</u>	<u>-</u>	<u>77,941,443</u>	<u>26,263,369</u>

- **Provision for penalty under the contract**

As at 31 December 2013, the subsidiary recognized a provision for penalty under an agreement on construction and services management of waste disposal system in community in the amount of Baht 36 million in the consolidated financial statements.

30. Share capital / Warrants

	<i>Par value (Baht)</i>	2013		2012	
		Number	Amount <i>(Shares / in Baht)</i>	Number	Amount
Authorized share capital					
Ordinary shares					
At 1 January	0.1	82,191,208,250	8,219,120,825	63,468,583,480	6,346,858,348
Increase of new shares	0.1	84,038,350,580	8,403,835,058	24,398,158,830	2,439,815,883
Reduction of shares	0.1	<u>(4,165,158,830)</u>	<u>(416,515,883)</u>	<u>(5,675,534,060)</u>	<u>(567,553,406)</u>
Ordinary shares At 31 December	0.1	<u>162,064,400,000</u>	<u>16,206,440,000</u>	<u>82,191,208,250</u>	<u>8,219,120,825</u>
Issued and paid-up share capital					
Ordinary shares					
At 1 January	0.1	67,029,317,660	6,702,931,766	42,731,848,260	4,273,184,826
Increase of new shares	0.1	<u>52,990,762,340</u>	<u>5,299,076,234</u>	<u>24,297,469,400</u>	<u>2,429,746,940</u>
Ordinary shares At 31 December	0.1	<u>120,020,080,000</u>	<u>12,002,008,000</u>	<u>67,029,317,660</u>	<u>6,702,931,766</u>

- The Board of directors' meeting No. 3/2012 held on 26 March 2012 passed the resolution as follows:

Issue and offer the 4,000 million ordinary shares at Baht 0.01 per share to 3 private placements. The Company has received the payment from allotment and offering amounting to Baht 40 million (the issued and paid-up share capital increased by Baht 400 million and discount on share capital amount of Baht 360 million). The Company has registered the paid-up of increase share capital with the Ministry of Commerce on 5 April 2012.

- The Board of directors' meeting 6/2012 held on 15 May 2012 passed the resolution as follows: Issue and offer the 2,000 million ordinary shares at Baht 0.01 per share to 1 private placement. The Company has received the payment from allotment and offering amounting to Baht 20 million (the issued and paid-up share capital increased by Baht 200 million and discount on share capital amount of Baht 180 million). The Company has registered the paid-up of increase share capital with the Ministry of Commerce on 24 May 2012.
- The Extraordinary General Meeting of Shareholders No. 1/2012 held on 3 October 2012 passed the resolution as follows:

- Decrease share capital from amount of Baht 6,346,858,348 to Baht 5,779,304,942 by cancelling ordinary shares which were not issued 5,675,534,060 shares of Baht 0.10 each.
- Increase share capital from amount of Baht 5,779,304,942 to Baht 8,219,120,825 by issuing new 24,398,158,830 ordinary shares of Baht 0.10 each for reserving the energy business operation and use in working capital of the Company.

The Company has registered the decrease and increase share capital with the Ministry of Commerce on 11 October 2012.

- Issued and offer the increase ordinary shares for 24,398,158,830 shares by allocating to the existing shareholders at the ratio of 2 existing shares for 1 new share at the offering price of Baht 0.01 each.

The Company has received the subscription 18,233,000,000 shares and the payment amount of Baht 182,300,000 and has registered the changes in share capital with the Ministry of Commerce on 8 November 2012 (as at 31 December 2012, the registered share capital is Baht 8,219,120,825 and the paid-up share capital amount of Baht 6,702,931,766).

- The Board of Directors Meeting of the Company held on 4 January 2013 passed the resolution to allot the increased shares of 2 thousand million to the specific one person at Baht 0.04 per share totaling Baht 80 million (the issue and paid-up share capital were Baht 200 million and discount on ordinary shares were Baht 120 million), the Company registered the increased shares with the Ministry of Commerce on 28 January 2013.
- The Ordinary General Meeting of Shareholders (New) held on 13 May 2013 passed the resolution as follows:
 - Deduction of the Company's authorized shares from Baht 8,219,120,825 to Baht 7,802,604,942 by cutting undistributed ordinary shares for 4,165,158,830 shares of Baht 0.10 par value.
 - Increase of the Company's authorized share capital by Baht 2,300,977,258 from the existing authorized shares of Baht 7,802,604,942 to new authorized shares of Baht 10,103,582,200 by the creation of 23,009,772,580 new ordinary shares of Baht 0.10 par values in order to support the business expansion in future and to use as working capital.

- Issuing and offering the 23,009,772,580 new ordinary shares by allotting to the existing shareholders at the ratio of 3 existing ordinary shares per 1 new ordinary share at the price of Baht 0.0225 per share totaling Baht 517,719,883 (the issue and paid-up share capital were Baht 2,300,977,258 and discount on ordinary shares were Baht 1,783,257,375) the Company registered the increased paid-up shares with the Ministry of Commerce on 24 June 2013.

On 2 July 2013, the Company issued ordinary shares to reserve the warrants to purchase the Company's ordinary shares of 5,500,000 shares at the exercise price of Baht 0.027 per shares totaling Baht 148,500 (the issued and paid-up shares capital were Baht 550,000 and discount on ordinary shares were Baht 401,500). The Company registered the increased paid-up shares with the Ministry of Commerce on 4 July 2013.

The Extraordinary General Meeting of Shareholders (New) of the Company held on 18 October 2013, resolved the following matters:

- Approve the increase of the Company's authorized share capital from Baht 10,103,582,200 to Baht 16,206,440,000 by the creation of 61,028,578,000 new ordinary shares of Baht 0.10 par value.
- Approve the issuance and offer of 61,028,578,000 new ordinary shares by allotting and offering to the following persons
 - 30,681,530,080 shares to be allotted and offered to the existing shareholders, at the ratio of 3 existing shares per 1 new ordinary share at the price of Baht 0.0275 per share.

Proceeds from allotting and issuing the above increased shares amounted to Baht 769 million (the issue and paid-up increase share capital were Baht 2,797 million and discount on ordinary share was Baht 2,028 million). The Company registered the increased shares with the Ministry of Commerce on 26 November 2013.

- 26,747,047,920 shares to be allotted and offered to the private placement, the offered price is derived from the average weighted closing share price of the Company for 7 consecutive business days prior to the first date on which the new shares are offered to investors, discounted by 10% of the mentioned weighted average closing share price, whereas the selling price must not be lower than Baht 0.025 per share.
- Not approve the issue and allotment of warrants to purchase increasing in ordinary shares of the Company (IEC-ESOP1) of up to 3,600,000,000 units to directors, executives and employees of the Company and its subsidiaries.

Please also see note 50 to the financial statements.

The exercise of warrants to purchase ordinary shares (IEC – W1)

On 19 June 2009, the Company issued warrants to purchase the Company's ordinary shares for offering to the existing shareholders who subscribe the new ordinary shares. The details are as follows:

Type of warrants	:	Issued in the name of respective holder and negotiable
Number of warrants	:	9,061,301,160 units
Maturity of warrants	:	5 years from the issuing and offering date
Offering price	:	At Baht 0 per unit
Exercise ratio	:	1 warrant (IEC-W1) per 1 ordinary share

Exercise price	:	The exercise price will be announced quarterly that will be 10% discount of the Company's weighted average share price in 7 consecutive business days calculated from the first business date of the ending month in each quarter. The exercise price is however must be lower than Baht 0.01 per share.
Date of maturity	:	18 June 2014
Last exercise date	:	31 March 2014
Listing date	:	13 July 2009

In March 2012, the right to purchase ordinary shares is exercised for 64,469,400 share at Baht 0.01 each amounting to Baht 644,694. The Company has received the payment from exercise right and registered the increase share capital with the Ministry of Commerce on 5 April 2012.

As at 31 December 2013, the balance of unexercised warrants amounted to 8,991,231,760 units.

Please also see note 50 to the financial statements.

31. Discount on ordinary shares

	Consolidated and Separate financial statements	
	2013	2012
	<i>(in Baht)</i>	
Discount on ordinary shares, net		
Premium on ordinary shares	226,287,593	226,287,593
Discount on ordinary shares	<u>(7,813,977,254)</u>	<u>(3,882,095,372)</u>
Net	<u>(7,587,689,661)</u>	<u>(3,655,807,779)</u>

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

32. Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution

33. Segment information/Discontinued operations

33.1 Segment information

Segment reporting is presented in respect of the Group's / Company's business and geographic segments. The primary format is based on the Group's / Company's management and internal reporting structure.

Segment assets, liabilities, revenue and results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest or dividend - earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expense.

Business segments

The Group comprises the following main business segments:

- Segment 1 is telecommunication segment which represents distributing mobile phone, refill card, mobile phone after-sales service and implementation of information technology system.
- Segment 2 is investments in securities which represent investing in new business (waste disposal plant and power plant from waste and solar energy).
- Segment 3 is discontinued operations (IEC Business Partner Co., Ltd. was discontinued operations from 18 January 2012 to 27 November 2013)

Geographic segments

Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

Business segment results

	Segment 1		Segment 2		Segment 3		Eliminations		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	<i>(in million Baht)</i>									
Sales of goods or rendering of service	427	1,106	11	-	-	-	(1)	(110)	437	996
Other income	432	71	325	3	-	-	(419)	(15)	338	59
Total Revenue	859	1,177	336	3	-	-	(420)	(125)	775	1,055
Costs of Sales of goods or rendering of service	394	1,043	3	-	-	-	(1)	(110)	396	933
Selling expenses	7	13	-	1	-	-	-	-	7	14
Administrative expenses	140	196	43	36	-	-	(15)	5	168	237
Other expenses	109	123	35	-	-	-	(44)	(28)	100	95
Finance costs	3	23	66	57	-	-	(26)	(15)	43	65
Total expenses	653	1,398	147	94	-	-	(86)	(148)	714	1,344
Profit (loss) for the year	206	(221)	189	(91)	-	-	(334)	23	61	(289)

	Segment 1		Segment 2		Segment 3		Eliminations		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	<i>(in million Baht)</i>									
Cash and cash equivalents	299	82	79	88	-	-	-	-	378	170
Trade accounts receivable	44	75	3	-	-	-	(37)	(69)	10	6
Other receivables	74	105	115	72	10	10	(47)	(46)	152	141
Short-term loans	697	190	246	48	-	-	(943)	(238)	-	-
Inventories	141	26	-	-	-	-	-	-	141	26
Assets held for sale	-	-	-	-	-	15	-	-	-	15
Investment in subsidiaries	523	307	480	436	-	-	(1,003)	(743)	-	-
Other long-term Investments	-	1	-	1	-	-	-	-	1	1
Property, plant and equipment	17	58	1,470	763	4	4	(12)	(4)	1,479	821
Leasehold rights	24	26	-	-	-	-	-	-	24	26
Goodwill	-	137	-	-	-	-	246	-	246	137
Deferred transmission line system	-	-	8	-	-	-	-	-	8	-
Other intangible assets	8	9	1	-	-	-	-	-	9	9
Pledged deposits at financial institutions	56	24	8	12	-	-	-	-	64	36
Advance payment for assets	-	21	74	64	-	-	-	-	74	85
Other non-current assets	7	14	5	3	-	-	-	-	12	17
Total assets	1,890	1,075	2,489	1,487	14	29	(1,796)	(1,100)	2,598	1,490

	Segment 1		Segment 2		Segment 3		Eliminations		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	<i>(in million Baht)</i>									
Bank overdrafts and short-term loans										
from financial institutions	3	10	8	67	-	-	-	-	11	77
Trade account payables	44	44	-	2	-	-	(6)	(30)	38	16
Other payables	156	86	163	83	90	90	(105)	(164)	304	95
Current portion of long-term loans	-	-	117	9	-	-	-	-	117	9
Long-term loan in default and accrued interest expenses	-	-	-	217	-	588	-	(588)	-	217
Current portion of financial lease liabilities	-	-	-	1	-	-	-	-	-	1
Short-term loans	-	34	1,028	204	173	164	(1,116)	(402)	85	-
Short-term provisions	-	-	36	-	-	-	-	-	36	-
Liabilities relating to assets held for sale	-	-	-	-	-	-	-	667	-	667
Long-term loans from financial institutions	-	1	293	131	-	-	-	-	293	132
Financial lease liabilities	-	-	-	1	-	-	-	-	-	1
Employee benefit obligations	4	4	1	-	1	1	-	(1)	6	4
Long-term provisions	108	684	-	-	8	8	(78)	(663)	38	29
Other non-current liabilities	2	3	1	-	-	-	-	-	3	3
Total liabilities	317	866	1,647	715	272	851	(1,305)	(1,181)	931	1,251

	Segment 1		Segment 2		Segment 3		Eliminations		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Capital expenditure										
Depreciation	4	12	6	3	-	-	-	-	10	15
Amortization	3	6	-	-	-	-	-	-	3	6
Loss on impairment of assets	63	83	-	-	(1)	-	-	-	62	83
Loss on write off equipment and intangible assets	-	8	-	-	-	-	-	-	-	8
Gain on disposals of leasehold rights	-	2	-	-	-	-	-	-	-	2
Loss on disposals of equipment	2	4	-	-	-	-	-	-	2	4

(in million Baht)

33.2 Discontinued operations held for sale / debts restructuring agreement / cancelling an agreement to sell investments

- *Discontinued operations held for sale as at 31 December 2012*

As stated in note 2.6 to financial statements, the Board of directors' meeting No. 1/2012 held on 18 January 2012, passed the resolution to dispose total investment in IEC Business Partners Co., Ltd. ("IEC BP"), a subsidiary which the Company held at 100% by disposing to Energy Choice Holding Co., Ltd. for 25 million ordinary shares at Baht 0.01, amounting to Baht 250,000 which entered into agreement to buy and to sell with an acquirer on 20 January 2012 with the condition that the acquirer proceed under the determined condition to be completed that the acquirer will pay for share capital including receive the transferring of ownership from the Company when the acquirer achieved the covenants in written with financial institution, a plaintiff, who sued the Company and IEC BP in being a guarantor and borrower in order to release the guarantee obligations and total liabilities from borrowings.

As at 31 December 2012, IEC BP has the registered and paid-up share capital for 25 million shares of Baht 10 each amounting to Baht 250 million which had book value of Baht (35) per share (negative) and the Company has commitment from consulting expenses amount of Baht 34 million. The Company has reclassified assets and liabilities of subsidiary as assets classified as held for sale and liabilities included with asset classifies as held for sale amount of Baht 14.73 million and Baht 666.57 million respectively and investments in subsidiary and liabilities from guarantee subsidiary were reclassified to assets classified as held for sale amount of Baht 0 (net of provision for impairment) and liabilities included with assets classified as held for sale amount of Baht 628.93 million in the separate financial statements. When the disposal is completed, the Company will have an advantage from the ability to release the guarantee obligations which is financial and operation trouble, therefore, liabilities from guarantee the subsidiary have been reversed in full amount in the separate financial statements.

Assets classified as held for sale and liabilities relating to assets held for sale as at 31 December 2012 were detailed below:

	Consolidated financial statements (in Baht)
<i>Assets held for sale</i>	
Cash and cash equivalents	268,190
Other receivable	10,350,098
Property, plant and equipment	4,007,009
Other non-current assets	100,000
Total assets held for sale	14,725,297
<i>Liabilities relating to assets held for sale</i>	
Trade and other payables	69,350,410
Current portion of long-term loans in default and interest payable	588,262,214
Other current liabilities	14,658
Employee benefit obligations	616,334
Long-term provisions	8,325,825
Total liabilities relating to assets held for sale	666,569,441
Assets held for sale-net	(651,844,144)

	Separate financial statements <i>(in Baht)</i>
Assets as held for sale	
Investments in subsidiaries	250,000,000
Allowance for impairment of investments	<u>(250,000,000)</u>
Total assets as held for sale	<u>-</u>
Liabilities relating to assets held for sale	
Long-term provisions	<u>628,932,850</u>
Total liabilities relating to assets held for sale	<u>628,932,850</u>
Assets held for sale -net	<u>(628,932,850)</u>

The results of operations of subsidiaries which held for sale as discontinued operations for the year ended 31 December 2012 was detailed as below:

	Consolidated financial statements <i>(in thousand Baht)</i>
Income	214
Expenses	<u>(55,959)</u>
Net profit	<u>(55,745)</u>

Statements of cash flows for the year ended 31 December 2012 was detailed as below:

	Consolidated financial statements <i>(in thousand Baht)</i>
Net cash provided by (used in) operating activities	(11,451)
Net cash provided by (used in) financing activities	<u>11,340</u>
Net increase(decrease) in cash and cash equivalents	<u>(111)</u>
Cash and cash equivalents at beginning of year	<u>379</u>
Cash and cash equivalents at ending of year	<u>268</u>

Supplementary information for discontinued operations classified as held for sale which was the significant information of the subsidiary (“IECBP”)as at 31 December 2012 were detailed as below:

1. Current portion of long-term loans in default and interest payable

	<i>(in Baht)</i>
Long-term loans	339,734,669
Interestpayable	<u>248,527,545</u>
Total	<u>588,262,214</u>
Less Current portion of long-term loans in default	<u>(588,262,214)</u>
Net	<u>-</u>

On 30 January 2007, IEC Business Partners Co., Ltd. (“the subsidiary”) entered into a loan agreement with a local financial institution of Baht 350 million in order to acquire assets from International Gasohol Corporation Limited (“IGA”). The loan had a grace period of one year from the first drawdown. The principal repayment will be made in 26 quarterly installments starting from January 2008 of Baht 13 million each for the first to twenty-fifth installments and the rest for the twenty-sixth installment. The interest rate is charged at MLR+0.5% per annum. This loan is secured by the assets

acquired from International Gasohol Corporation Limited. The agreement contained certain conditions on events of defaults, among other things, interest charged immediately at highest rate as an announcement by that financial institution (20% per annum), and/or terminating the term of agreement, and/or forces all securities or certain and maintaining debts to equity ratio, etc.

On 29 May 2007, the subsidiary notified to temporarily stop the payment under the loans agreement due to the subsidiary's assets used as collateral on the above loan have not been registered the servitude on entrance and exit established by law. The subsidiary failed to pay interest expense, accrued interest expense of the principal amounted to Baht 339.73 million with interest at 8% per annum calculated from 9 May 2007 to 29 May 2007 and 13% per annum calculated from 30 May 2007 onward, As at 31 December 2012 amounted to Baht 248.53 million and is unable to maintain debt to equity ratio due to agreement.

On 25 January 2008, a subsidiary received the letter from bank to notify to cancel the loan agreement dated 30 January 2007 and the guarantee agreement on the above loan, to call the subsidiary and the Company repaying debts (as at 18 January 2008) of Baht 339.73 million for principal and of Baht 45.61 million for interest, totalling Baht 385.34 million, and to redeem the mortgaged assets within 30 days as from the date of receiving letter. On 20 March 2008, the subsidiary and the Company were sued by the bank regarding false of loan agreement, guarantee agreement and mortgage agreement in the amount of Baht 397.07 million and made the payment under the loan agreement with interest and enforcing the mortgage.

As at 30 June 2011 the Court read their sentences to the subsidiary, as the borrower, and the Company ("IEC"), as the guarantor, jointly paid the amount of Baht 340.33 million with interest at 8% per annum on the principal amounted to Baht 339.73 million, from 9 May 2007 to 29 May 2007 and 13% per annum from 30 May 2007 until payment is made. In case of default, will be seized mortgaged assets comprised land and structure thereon and machinery, to auction in order to settle the outstanding debt. If not enough will be seized other assets to auction in order to settle the outstanding debt in full. The Board of Directors Meeting held on 6 July 2011 unanimously resolved to authorize the attorney to appeal the case to prosecute. Subsequently, the subsidiary and the Company filed a petition to suspend the execution and appeal against the judgment to the Civil Court. The Court of First Instance ordered to accept the petition and the appeal on 4 October 2011, and to the subsidiary and the Company sending the plaintiffs the copies of those documents to defend and then collecting them to submit to the Appeal Court's trial. Subsequent on 17 July 2013, the Appeal Court read their sentences to the litigants that they confirmed the judgment of the Court of First Instance and on 10 September 2013, the Company and subsidiary were filed a petition to the Supreme Court.

On 14 September 2009, the legal consultant of the subsidiary and the Company sent the letters to International Gasohol Corporation Limited ("IGA") and such bank to cancel the juristic act in relation to purchase of assets, borrowing, mortgage and guarantee. When the cancellation is made, it results to the above voidable act to be as the void act and the parties shall be restored to the condition in which they were previously. On 2 June 2010, the subsidiary and the Company filed a lawsuit against IGA, IGA's directors and the bank totaling 4 persons to the Civil Court in order to request the cancellation of fraudulent acts and claim compensation in the amount of Baht 89 million. On 28 September 2011, the defendant filed for requesting to strike the case out of the cast list temporarily since the Court ordered to execute assets of IGA. On 23 December 2011, subsidiary filed to claim the payment in the bankruptcy case to the Official Receiver as the 5th creditor in the amount of Baht 89 million. On 12 May 2010, the subsidiary was sued by the bank in bankruptcy to the Central Bankruptcy Court but such plaint was refused. Subsequently, the bank filed a request to withdraw such case.

2. Property, plant and equipment of subsidiary ("IECBP") had the cost as at 31 December 2012 amount of Baht 465 million less provision for impairment of assets amount of Baht 461 million, the remaining value of assets amounted to Baht 4 million. Such assets still have contentious case in respect of assets acquisition from IGA which is still pending the Court's trial.

3. Long-term provisions of subsidiary (“IECBP”) were recorded provisions from liabilities incurred from assets payable litigation amount of Baht 8 million.
4. The Extraordinary Meeting of Shareholders of IEC Business Partners Co., Ltd. held on 4 January 2011, passed the resolution to increase the its authorized share capital by Baht 180 million by the creation of 18,000,000 new ordinary shares of Baht 10 par value. The increased share capital will be registered in each time of the number of distributed shares.
5. Commitments with non-related persons and parties of the subsidiary (“IECBP”) were as follows:

On 16 November 2011 and 30 April 2012, the Company entered into an agreement to hire two other companies (“advisors”) as the consultants to solve debt problem and procure the investors to purchase shares of the subsidiary (“IECBP”) and to release any obligations under the law with a domestic commercial bank or the creditor who entitled to claim a debt from the bank (“the creditor”). The success fees were determined in the amount of Baht 34 million (excluding VAT) when this operation would be achieved. The contract period covered until March 2013. The Board of Directors of the Company meeting held on 24 April 2013 and 26 June 2013 approved the extension of the agreement period.

Subsequently, on 25 November 2013, the Company and IECBP entered into a debt restructuring agreement with the above creditor and cancel the agreement to sell investment in the subsidiary (IECBP).

The Board of Directors of the Company meeting held on 11 November 2013 passed the following resolutions :

- Restructuring debts with TS Asset Management Co., Ltd. (the creditor who is subrogated the right of Siam City Bank PCL ("the former creditor") as follows :
 - 1) Entering a debts restructuring agreement to settle the debt in the amount of Baht 310 million and expenses amounted to Baht 275,820.
 - 2) When the settlement of debts is performed, the parties will withdraw and stop the process of case all together.
 - 3) The creditor shall release the mortgage property as collateral of IECBP.
- Subsidiary (IECBP) increases of the authorized share capital by Baht 310,600,000 for payable to the creditor under the debts restructuring plan.
- Cancelling an agreement to sell IECBP shares dated 20 January 2012 and cancelling a hire adviser agreement dated 30 April 2013
- *Debts restructuring agreement*

On 25 November 2013 the Company and subsidiary (“IECBP”) and the financial institution creditor (“the creditor”) entered into a debts restructuring agreement which was summarized as follows:

- IECBP agreed to settle the outstanding principals in the amount of Baht 310,000,000 and accrued expense in the amount of Baht 275,820 (such as courtfees, lawyer fees, mailing and expenses for litigation) to the creditor in full within 29 November 2013.
- The Company and IECBP shall file a request to the court to withdraw the lawsuit against the creditor, the civil case: Black Case No. 1937/2553, to withdraw the Dika against the Civil Court’s judgment from the Supreme court and to withdraw the request to waive the right of case enforcement for the case: Black Case No. Tor 407/2551 and Red Case No. Tor 18/2554 dated 30

June 2011 within 15 days after the date that the Company and IECBP have fully settled to the creditor the amount under the debt restructuring agreement. The Company and IECBP will not sue the creditor and agree to burden fees and expenses of such performances.

- If the Company and IECBP, are in the default, or the breach of this agreement and / or any other debts restructuring agreement which the Company and IECBP have the obligation on debt to the creditor, whether any of breach of agreement, shall be deemed to default on the entire debts which entitles the bank to accelerate the maturity of all amounts outstanding and immediately payable. Creditor is not required to send the notice of claim or claims in any way. The Company and IECBP agreed to pay all outstanding debts to creditor immediately with the interest on all overdue at the rate of 13% per annum from the date of the debt until all debts are settled. The Company and IECBP also allow the creditor to comply with the judgment by seizure of collateral be sold at auction in order to be payable to the creditor. If net cash is not enough to pay the debts, the other assets of the Company and IECBP shall be seized for auction in order to settle the debts until the creditor would receive completely repayment.
- If the Company and IECBP does not become the default, or breach of this agreement and / or any other debts restructuring agreement which the Company and IECBP have the obligation to the creditor including make the complete repayments to the creditor based on the amount, time and conditions to be specified in the this agreement, the creditor agrees to haircut the remaining amount of debts for the Company and IECBP, including those interests incurred from the first date of debt calculation to the date of full settlement. The creditor consents the Company and IECBP redeem the pledged collaterals, and release guarantee obligations of the Company as the guarantor.

The creditor shall file the Court to withdraw the lawsuit against the Company and IECBP as per the bankruptcy case: Black Case No. Lor 5297/2553 dated 12 May 2010 and shall file a request to the court to waive the right of case enforcement for the case: Black Case No. Tor 407/2551, and Red Case No. Tor 18/2554 within 15 days after the date that the Company and IECBP have fully settled to the creditor the amount under the debt restructuring agreement. The creditor shall file the court to withdraw the lawsuit on the same date which the Company and IECBP withdraw the lawsuit against the creditor. The Company and IECBP agreed to burden fees and expenses of such performances.

- *The result of debts restructuring agreement was as follows:*

- 1) On 29 November 2013, the subsidiary (“IECBP”) made the payment of the outstanding principals in the amount of Baht 310,000,000 and expense on debts restructuring in the amount of Baht 275,820 under the debts restructuring agreement dated 25 November 2013 to TS Asset Management Co., Ltd. (“financial institution creditor”).

Movements of debts restructuring for the year 2013 were as follows:

	Consolidated financial statements		
	Principal	Accrued interest <i>(in Baht)</i>	Total
At 1 January 2013	339,734,669	248,527,545	588,262,214
Increase – interest expense	-	38,106,130	38,106,130
Decrease – repayment	(310,000,000)	-	(310,000,000)
Decrease – haircut remaining debts	(29,734,669)	(286,633,675)	(316,368,344)
At 31 December 2013	-	-	-

- 2) The subsidiary ("IECBP") performed the financial institution creditor to redeem pledged collaterals, (which are lands, premises, and all of the machineries) and release guarantee obligations of the guarantor ("IEC") under the debts restructuring agreement.

As of 26 February 2014, the collateral is in the process of requisition the original mortgage documents from the Supreme Court for redeeming.

- 3) The subsidiary ("IECBP") performed the financial institution's staff to file the Court to withdraw the lawsuit against the debtors / mortgagor ("IECBP") as per the bankruptcy case (Case No. Lor 5297/2553 dated 12 May 2010). As of 26 February 2014, it has been in the process which has not been finalized.
- 4) The management of the Company and the subsidiary approved to adjust the related accounting records that affected to the financial statements were summarized as follows:

5)	Consolidated financial statements 2013	Separate financial statements 2013
	<i>(in Baht)</i>	
Revenue:-		
Increase of gain on debts restructuring	316,368,344	-
Increase of the reversal of provision	-	550,982,524
Expenses:-		
Increase of loss on devaluation of investments	-	(310,600,000)
Increase of debts restructuring expenses	(275,820)	-
Increase of profit for the year	<u>316,092,524</u>	<u>240,382,524</u>

Please also see note 45 to the financial statements.

- *Canceling the agreement to sell the investment in a subsidiary ("IECBP")*

Due to the IECBP entered into a debt restructuring agreement and completely settled the entire outstanding debts to the creditor under the agreement on 28 November 2013, so it is no longer necessary for the Company to enter into an agreement to sell the investment in IECBP. The Board of Directors Meeting held on 11 November 2013, passed the resolution to revoke the agreement to sell shares in IECBP dated 20 January 2012 and the agreement for consulting services on debt settlement and investor procurement dated 30 April 2012. Under the revocation of the above agreements, the Company, as the employer, did not take the responsibility to remunerate or bear any expenses against the two parties. The Company has already notified to revoke the above mentioned agreements on 11 November 2013.

As the result of revoking the agreement to sell shares in IECBP, as at 31 December 2013, the Company cancelled the classification of assets and liabilities of a subsidiary to assets held for sale, and liabilities relating to assets held for sale in the consolidated financial position and reclassified the operations for the year 2012 which formerly presented in discontinued operations to continuing operations. Therefore, the statement of comprehensive income for the year 2012, which was presented for comparative purpose, has been restated.

34. Government grant

Government grant in respect of adder is subsidy in respect of Adder received from the Provincial Electricity Authority at Baht 6.50 per unit for a period of 5 years commencing from the first date of commercial sale of electricity with automatic renewal of 5 year in every period.

35. Other income

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Interest income	2,429,920	3,743,154	31,789,889	15,899,437
Gain on transfer of leasehold Rights	-	2,249,706	-	2,249,706
Gain on disposal of investment	1,120,231	-	-	-
Reversal of allowance for doubtful accounts	-	-	-	958,284
Other service income	5,681,119	16,870,673	5,681,119	16,870,673
Rental income	3,129,007	2,773,937	3,129,007	2,773,937
Dividend income	-	15,125	-	15,125
Net foreign exchange gain	3,618	359,429	-	101,230
Adjustment of trade and other payable	-	22,173,083	-	22,173,083
Others	2,081,503	10,537,209	771,291	7,423,188
Total	14,445,398	58,722,316	41,371,306	68,464,663

36. Selling expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Selling expenses	4,397,703	9,795,705	38,980	6,107,390
Advertising and public relations expenses	2,331,632	1,657,608	2,277,626	735,733
Promotion expenses	190,454	1,885,829	7,500	1,024,479
Total	6,919,789	13,339,142	2,324,106	7,867,602

37. Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Employee benefit expenses	35,268,215	44,596,153	17,274,546	20,938,427
Directors' remunerations	31,387,637	32,372,038	26,340,811	24,904,827
Place and equipment expenses	23,400,417	67,149,891	15,215,721	45,592,970
Doubtful debts expenses	749,743	2,470,618	14,069,576	-
Bank charge	705,278	4,750,250	353,831	3,596,974
Others	76,365,516	84,954,189	41,860,181	50,621,732
Total	167,876,806	236,293,139	115,114,666	145,654,930

38. Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Management:-				
Directors' remuneration	4,625,000	4,481,237	3,225,000	3,041,237
Salaries and other benefits	26,105,885	27,589,682	22,552,717	21,721,396
Contribution to social security / defined contribution plan	82,200	82,631	64,800	53,981
Contribution to provident funds	574,552	218,488	498,294	88,213
Total	31,387,637	32,372,038	26,340,811	24,904,827
Employees:-				
Salaries and other benefits	34,192,357	42,545,172	16,722,227	19,738,792
Contribution to social security / defined contribution plan	678,561	897,464	322,263	424,014
Contribution to provident funds	708,259	1,153,517	410,237	775,621
Total	35,579,177	44,596,153	17,454,727	20,938,427
Grand Total	66,966,814	76,968,191	43,759,538	45,843,254

Partial employee expenses were included in cost of sale of goods or rendering of services.

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates 3% of their basic salaries and by the Group at rate 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

39. Other expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Impairment loss of assets	61,926,738	83,495,399	64,163,516	82,932,265
Loss on devaluation of investment	-	-	351,669,673	27,000,000
Penalties for delay work under construction contracts	35,742,500	-	-	-
Loss on sale of investments	-	8,369,166	2,900,000	4,722,986
Provisions loss from liabilities of subsidiaries	-	-	-	4,395,372
Loss on disposals of equipment	2,134,854	3,652,670	961,396	3,661,751
Total	99,804,092	95,517,235	419,694,585	122,712,374

40. Finance costs

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht)</i>			
Interest expense and default interest expense :				
- Related parties	2,191,099	1,547,469	298,548	1,318,852
- Non related parties	1,537,693	3,360,095	1,537,693	2,922,018
- Financial institutions	70,689,886	87,322,126	744,636	16,188,864
Total	74,418,678	92,229,690	2,580,877	20,429,734
Less: amounts included in the cost of qualifying assets:				
- Capitalized to cost of solar power plant and construction in progress	(31,228,982)	(26,938,284)	-	-
Net	43,189,696	65,291,406	2,580,877	20,429,734

41. Income tax expense

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively.

For the year ended 31 December 2013, the Company and its subsidiaries had cumulative loss carry forward not exceeding 5 years before current accounting period. Therefore, there are no any income tax liability for the year.

42. Earnings (loss) per share

Basic earnings (loss) per share

Basic earnings (loss) per share for the years ended 31 December 2013 and 2012 is calculated by dividing the net profit (loss) for the years attributable to equity holders of the Company by the weight average number of shares issuing during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht / share)</i>			
Profit (loss) for the year attributable to equity holders of the Company (basic)	88,308,834	(284,377,170)	100,855,383	(197,307,467)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in Baht / share)</i>			
Effect of shares issued				
Number of ordinary shares outstanding at 1 January	67,029,317,660	42,731,848,260	67,029,317,660	42,731,848,260
- 26 March 2012	-	3,120,535,250	-	3,120,535,250
- 18 May 2012	-	1,245,901,639	-	1,245,901,639
- 11 October 2012	-	4,084,989,071	-	4,084,989,071
- 28 January 2013	1,852,054,795	-	1,852,054,795	-
- 24 June 2013	12,040,730,309	-	12,040,730,309	-
- 4 July 2013	2,727,397	-	2,727,397	-
- 22 November 2013	3,065,807,097	-	3,065,807,097	-
Weighted average number of ordinary shares outstanding (basic)	83,990,637,258	51,183,274,220	83,990,637,258	51,183,274,220
Profit (loss) per share (basic)	0.0011	(0.0056)	0.0012	(0.0038)

Diluted earning (loss) per share

The calculations of diluted earnings (loss) per share for year ended 31 December 2013 were based on the profit (loss) for the year attributable to ordinary shareholders of the Company and weighted average number of ordinary shares outstanding during the year after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements 2013	Separate financial statements 2013
	<i>(Baht/Share)</i>	
Profit (loss) attributable to ordinary shareholders of the Company (Diluted)	88,308,834	100,855,383
Weighted average number of ordinary share outstanding (basic)	83,990,637,258	83,990,637,258
Effect of exercise of warrants to purchase ordinary shares	3,401,288,330	3,401,288,330
Weighted average number of ordinary shares outstanding (Diluted)	87,391,925,588	87,391,925,588
Earning (loss) per share (Diluted) (Baht)	0.0010	0.0012

For the year ended 31 December 2012 the company show diluted earning (loss) per share, since diluted loss per share was decreased when taking the exercise of warrant.

43. Promotional privileges

The Boards of Investment approved the subsidiary relation to promoted business, summarized as follows:

- GIDEC Co., Ltd.

On 11 January 2011, the subsidiary has been granted privileges relating to the business of 7.1 Public utilities and basic services and 7.26 Waste water treatments, disposal services or transport of industrial waste or toxic chemicals, the privileges granted is summarized follows:

- exemption from payment of import duty on machinery;
- exemption from payment of income tax from the promoted business totally not exceeding 100% of investments (excluding land and working capital) for a period of eight years from the date on which the income is first derived from disposalwaste by burn;
- exemption from payment of income tax from the promoted business for a period of eight years from the date on which the income is first derived from production electricity from waste;
- exemption of dividends received from the promoted business in the computation of taxable income;
- a 50% reduction in the normal income tax rate on the net profit derived from promoted business for production electricity from waste for a period of five years, commencing from the expiry date of exemption from income tax;
- double deductions from the costs of transportation, electricity and water supply a period of ten years from the date on which the income is first derived from production electricity from waste;
- Additional 25 % deduction of the cost of installation or construction of facilities beyond normally depreciation.

As the promoted company, the subsidiary must comply with certain terms and conditions prescribed in the promotional certificate. As of 31 December 2012, the subsidiary has not informed to operate the above promoted business yet.

- TEAM SOLAR Co., Ltd.

On 19 October 2010, and 25 March 2013 the subsidiary has been granted privileges relating to the business of 7.1 Public utilities and basic services is summarized follows:

- exemption from payment of import duty on machinery;
- exemption from payment of income tax from the promoted business for a period of eight years from the date on which the income is first derived ;
- exemption of dividends received from the promoted business in the computation of taxable income;
- a 50% reduction in the normal income tax rate on the net profit derived from promoted business for a period of five years, commencing from the expiry date of exemption from income tax;

- double deductions from the costs of transportation, electricity and water supply a period of ten years from the date on which the income is first derived ;
- Additional 25 % deduction of the cost of installation or construction of facilities beyond normally depreciation.

As the promoted company, the subsidiary must comply with certain terms and conditions prescribed in the promotional certificate. As of 31 December 2013, the subsidiary has not informed to operate the above promoted business yet.

- Super Dream Power Co., Ltd.

On 19 March 2013, the subsidiary has been granted privileges relating to the business of 7.1 Public utilities and basic services is summarized follows:

- exemption from payment of import duty on machinery;
- exemption from payment of income tax from the promoted business for a period of eight years from the date on which the income is first derived ;
- exemption of dividends received from the promoted business in the computation of taxable income;
- a 50% reduction in the normal income tax rate on the net profit derived from promoted business for a period of five years, commencing from the expiry date of exemption from income tax;
- double deductions from the costs of transportation, electricity and water supply a period of ten years from the date on which the income is first derived ;
- Additional 25 % deduction of the cost of installation or construction of facilities beyond normally depreciation.

As the promoted company, the subsidiary must comply with certain terms and conditions prescribed in the promotional certificate. As of 31 December 2013, the subsidiary has not informed to operate the above promoted business yet.

Summary of revenues from promoted and non-promoted businesses for the year ended 31 December 2013 of two subsidiaries (TEAM SOLAR Co., Ltd. and Super Dream Power Co., Ltd.) were as follows:

	Consolidated financial statements		
	Promoted businesses	Non- promoted businesses	Total
	<i>(in million Baht)</i>		
Local sales	11	-	11
Total Revenues	11	-	11

44. Financial instruments

Financial risk management policies

The Group/Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's/Company's operations and its cash flows. The Company's exposure to interest rate risk relates primarily to its cash at financial institution, loans to, bank overdrafts, short-term and long-term loans. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

The effective interest rates of loans receivable as at 31 December and the periods in which the loans receivable mature or re-price were as follows:-

	Effective interest rate (% per annum)	Separate financial statements			Total
		At call	After one year but within five years <i>(in million Baht)</i>	After five years	
2013					
Current					
Short-term loans	4.59	907	-	-	907
Total		907	-	-	907
2012					
Current					
Short-term loans	3.62	391	-	-	391
Total		391	-	-	391

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:-

	Effective interest rate (% per annum)	Consolidated financial statements			Total
		Within one year	After one year but within five years <i>(in million Baht)</i>	After five years	
2013					
Current					
Short-term loans from financial institutions	6.92	10	-	-	10
Short-term loans	4.33	85	-	-	85
Long-term loan	7.70	117	-	-	117
Financial lease liabilities	4.13	1	-	-	1
Non-current					
Long-term loans	7.70	-	264	29	293
Total		213	264	29	506
2012					
Current					
Short-term loans from financial institutions	12.44	77	-	-	77
Short-term loans	13.72	-	-	-	-
Long-term loan	7.89	10	-	-	10
Long-term loan in default	7.89	217	-	-	217
Financial lease liabilities	5.22	1	-	-	1
Non-current					
Long-term loans	7.89	-	38	93	131
Financial lease liabilities	4.08	-	1	-	1
Total		305	39	93	437

	Effective interest rate (% per annum)	Separate financial statements			Total
		Within one year	After one year but within five years	After five years	
<i>(in million Baht)</i>					
2013					
Current					
Short-term loans from financial institutions	11.88	3	-	-	3
Total		3	-	-	3
2012					
Current					
Short-term loans from financial institutions	12.90	10	-	-	10
Total		10	-	-	10

Foreign currency risk

The exposure of the Group/Company to foreign currency risk is limited since the majority of business transactions are denominated in Thai Baht.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group/Company as and when they fall due.

The Group/Company focuses on cash sales. Management also has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date the Group / the Company has a credit risk as mentioned in Note 8 to the financial statements. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the reporting date. However, due to the large number of parties comprising the Group's/the Company's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group/Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's/the Company's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's/the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to the asset or liability.

As the majority of the Company's financial assets and liabilities carry interest at rates close to current market rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position. Methodology of fair value measurement depends

upon characteristics of the financial instruments. The fair value is determined by reference to the latest quoted market price or by using an appropriate valuation technique.

Fair values of financial assets and liabilities, together with the carrying values shown in the balance sheets at 31 December 2013 and 2012, were as follows:

	Consolidated financial statements		Separate Financial statements	
	Fairvalue	Carrying value	Fairvalue	Carrying value
	<i>(in million Baht)</i>			
2013				
<i>Current</i>				
Deposits at financial institutions	377	377	295	295
Trade accounts receivable	10	10	44	44
Other receivable	152	152	68	68
Short term loan	-	-	697	697
Bank overdrafts and short-term loans from financial institutions	(10)	(10)	(3)	(3)
Trade account payable	(38)	(38)	(38)	(38)
Other payable	(304)	(304)	(154)	(154)
Short-term loans	(85)	(85)	-	-
Long-term loan	(117)	(117)	-	-
Financial lease liabilities	(1)	(1)	-	-
<i>Non - current</i>				
Investment in subsidiaries	-	-	523	523
Other investments	1	1	1	1
Other non – current assets	12	12	7	7
Pledged deposits at financial institutions	64	64	56	56
Financial lease liabilities	-	-	-	-
Long-term loans	(293)	(293)	-	-
Employee benefit obligations	(5)	(5)	(3)	(3)
Other non – current liabilities	(3)	(3)	(2)	(2)
Total	(240)	(240)	1,491	1,491
2012				
<i>Current</i>				
Deposits at financial institutions	168	168	69	69
Trade accounts receivable	6	6	71	71
Other receivable	141	141	85	85
Short-term loans	-	-	190	190
Bank overdrafts and short-term loans from financial institutions	(77)	(77)	(10)	(10)
Trade account payable	(17)	(17)	(2)	(2)
Other payable	(95)	(95)	(65)	(65)
Long-term loan in default	(217)	(217)	-	-
Financial lease liabilities	(1)	(1)	-	-
Long-term loans	(10)	(10)	-	-
<i>Non - current</i>				
Investment in subsidiaries	-	-	307	307
Investment in associates	-	-	-	-
Other investments	1	1	1	1
Pledged deposits at financial institutions	36	36	23	23

The subsidiary (GIDEC Co., Ltd.), from 2010 up to the present, the subsidiary constructed the waste disposal and generate electricity from waste plant on land under lease agreement with Hatyai Municipal, Song Kha province. Total budget cost amounted to Baht 930 million (funds from external source of Baht 400 million and from internal source of Baht 530 million). As of 31 December 2013, the actual cost incurred totaled Baht 702 million and the remaining amounted to Baht 228 million and has been expected to complete by the first quarter 2014. According to the construction agreement contains the term of fine from delays of construction, etc.

The subsidiary (Team Solar Co., Ltd.) constructed solar power plant at Lumpoon project of which total budget cost amounted to Baht 265 million. The actual cost incurred until 31 December 2013 amounted to Baht 265 million. The subsidiary has distributed the power to Provincial Electricity Authority since 23 September 2013. The subsidiary constructed the solar power plant at Chiangmai project of which total budget cost amounted to Baht 221 million. Actual cost incurred until 31 December 2013 amounted to Baht 115 million and the remaining amounted to Baht 106 million.

The Company has total budget cost of produce a data management system for 1 system approximately Baht 169 million. The actual cost incurred until 31 December 2013 in the amount of Baht130 million (recorded as work in progress) and the remaining amounted to Baht 39 million and the project is expected to complete by July 2014.

46. Contingent liabilities and contingent assets

Contingent liabilities

Case No.	Plaintiff/Complainant	Defendant/ Objector	Description
Civil case: Black case No.2978/2554	a company	the Company	On 8 August 2011, the Company was sued by a company in alleging infringement, exercised in dishonest right and demand because the Company used information about broadcasting in Digital Mobile TV project in full operation between plaintiff and MCOT Public Company Limited (“MCOT”) to compose an important document in the select of co-operation with MCOT. This act impacted to the plaintiff who did not get a fair treatment but got the damage. The claim amount was Baht 170 million with interest rate at 7.5% per annum of claim amount. On 19 December 2012, the Court of First Instance dismissed the case. Subsequently, the plaintiff appealed to the Court and as of 26 February 2014, the case has been in the process of the Court’s appeals consideration, the result has not been finalized.
Civil case: Black case No. Por Bor. 2504/2552	Domestic commercial bank (bank)	Associate (Micronetic Plc.) was the borrower and the Company was guarantor	On 30 September 2009, the Company was sued by a bank with regard to guarantee for loan of an associate to the Civil Court in order to the Company payable the principal including interest amounted to Baht 12.26 million. sentence on 4 April 2011. On the due date, the Court decided both defendants to pay in the amount of Baht 12.26 million with the interest of 15% per annum of principal amounted to Baht 12.1 million

Case No.	Plaintiff/Complainant	Defendant/ Objector	Description
			<p>starting from the sue date onwards until the settlement to plaintiff will be completed. Subsequently, on 30 August 2011, the Company as guarantor already paid to the bank in amount of Baht 8.5 million and recorded such company as a receivable and the Company exercised the right to take recourse from Micronetic Plc. by filing the petition to the Central Bankruptcy Court. On 26 April 2012, the Court ordered to execute the assets of such company in accordance with the black case No. 531/2555 and the red case No. 3031/2555. Subsequently, on 4 February 2013, the Central Bankruptcy Court adjudged Micronetic Plc. as a bankrupt in accordance with the law and appointed the debtors to openly inquire on 14 June 2013.</p>
<p>Civil case: Black case No.842/2550</p>	<p>Mr. Smith</p>	<p>Subsidiary (IEC Business Partners Co., Ltd.)</p>	<p>On 26 February 2007, the subsidiary was filed a lawsuit with regard to the transaction in acquiring assets of International Gasohol Corporation Limited (“IGA”) with a claim of Baht 181 million. The plaintiff requested the Court to invalidate, cancel the registration of the transfer of ownership and registered IGA as a ownership or order all defendants to pay the balance of the proceeds of Baht 181millionwith the interest of 7.5 % per annum, starting from filing date until fully settlement. The court appointed to hearing the sentence on 26 October 2010 and provided their sentence that the plaintiff has no power to sue because of acting as IGA’s shareholder who is unable to file a petition for revoking the juristic act in relation to purchase assets between IGA and the subsidiary in compliance with the Law except compensation only, therefore, the case has been dismissed. Currently, the case has been in the process of appeal. As of 26 February 2013, the mentioned matters have not been finalized.</p>
<p>Civil case: Black case No. Tor 407/2551</p>	<p>Domestic commercial bank (bank)</p>	<p>Subsidiary (IEC Business Partners Co., Ltd.) was the borrower and the Company was the guarantor</p>	<p>On 20 March 2008, a subsidiary were sued with regard to false of loan agreement, guarantee agreement and mortgage agreement and to make the payment under the loan agreement of Baht 397.07 million with interest of 20% per annum on principal of Baht 339.73 million, starting from the sue date until the settlement will be completed. In case of default, the execution of judgment will be performed to auction the mortgaged assets in order to settle the outstanding debt. On 26 April 2011, the Court read their</p>

Case No.	Plaintiff/Complainant	Defendant/ Objector	Description
			<p>sentences to the subsidiary as the borrower and the Company (“IEC”) as the guarantor jointly paid in the sued amount with interest. In case of default, the mortgaged assets comprised land and structure thereon and machinery will be seized for public auction in order to settle the outstanding debt. If it is not enough, other assets will be seized for public auction in order to settle the outstanding debt in full. Subsequently, on 29 September 2011, the subsidiary and the Company filed a petition to suspend the execution and appeal against the judgment to the Civil Court. The Court of First Instance ordered to accept the petition and the appeal on 4 October 2011 to the subsidiary and Company sending the plaintiffs the copies of those documents to defend within the due date. The case has been in process of security valuation for the Appeal Court’s consideration. Subsequently, on 5 March 2013, the Court ordered to the Company and the subsidiary procure the securities as collateral in order to cover the outstanding debts by 10 May 2013, otherwise the Court will dismiss the petition and execute of a judgement by enforcing the mortgage. Subsequently, the Company and subsidiary did not deposit the securities at the Court within specific time so the Court dismiss the petition to suspend the execution. On 17 July 2013, the Appeal Court read their sentences to the litigants that they confirmed the judgment of the Court of First Instance, and the statutory costs in the Appeal Court to be exempted. Therefore, if the Company and subsidiary would file a petition to the Supreme Court, they have to submit within 1 month as from the date of reading the sentences and pay the Court fees and expenses for the case proceedings resulting to the case has not been finalized and the negotiation between the Company and plaintiff has been still going on. Subsequently, on 10 September 2013, the Company and subsidiary were filed a petition to the Supreme Court. Subsequently, the Company and the subsidiary appealed Dika to the Supreme Court, subsequently the parties agreed under the debts restructuring agreement dated 25 November 2013 as detailed in note 33 to the financial statements. On 11 December 2013, the parties had filed to withdraw the lawsuit and terminate the existing, litigation against each</p>

Case No.	Plaintiff/Complainant	Defendant/ Objector	Description
			other and then withdraw the request for a stay of execution.
Civil case: Black case No. 219/2552	IGA	Subsidiary (IEC Business Partners Co., Ltd.)	<p>On 22 January 2009, a subsidiary was sued in relation to branch the sell agreement with calling the outstanding debt, a lawyer fee of Baht 1 million and claim due to default under sale and purchase of assets agreement in the amount of Baht 82.54 million with interest at 7.5 % per annum on principal of Baht 77.21 million totaled Baht 82.54 million. However, as at 31 December 2012, the subsidiary recorded payable on assets and provision amounted to Baht 69 million and Baht 8 million, respectively. At present, the plaintiff (IGA) informed to the Court that it is bankrupt, and requested the Court nominated the Official Receiver to be a plaintiff. The Court allowed and made an appointment with the plaintiff's creditors on 5 March 2013. On the appointment date, the plaintiff requested to postpone to 5 June 2013 because of no meeting of creditors and next appointment on 5 August 2013. Subsequently, the Court made an appointment on 3 December 2013. On the appointment date, the official receiver did not come so the Court has ordered an appointment on 7 March 2014. If the official receiver does not come again, it will be assumed to be not attracted to the case of the plaintiff.</p>

Case No.	Plaintiff/Complainant	Defendant/ Objector	Description
Bankruptcy case: Black case No. 5297/2553	Domestic commercial bank	Subsidiary (IEC Business Partners Co., Ltd.)	<p>On 12 May 2010, a subsidiary was sued in bankruptcy to the Central Bankruptcy Court. The Court determined a date of consideration on 21 July 2010. Subsequently, the subsidiary filed a request to postpone the consideration to 16 July 2010 and 23 September 2010. The subsidiary filed a statement of defence on the above petition to the Central Bankruptcy Court. The Court determined the date of taking of evidences from the creditor's witnesses and the debtor's witnesses on 21 February 2011, 14 March 2011, 11 May 2011 and 24 August 2011. On such date, plaintiff filed the petition to the Court that, the plaintiff sold the business to Thanachart Bank Public Company Limited and the status change, so the plaintiff has to firstly carry out the process of status change. On such date, the Court postponed the consideration to 8 November 2011. Because of severe flooding, the consideration was postponed and the Court made an appointment to taking of evidences from witnesses on 27 June 2013. The Court made on appointment to taking of evidences from witnesses of debtor on 26 September 2013. The plaintiff may submit the judgment of Appeal Court: Black cas No. Tor 407/2551 to the Court to confirm that the defendant owned the plaintiff according to the law. The Court appointed to hearing the sentence on 23 January 2014. Subsequently, the parties agreed under the debts restructuring agreement dated 25 November 2013 as detailed in note 33 to the financial statements, and on 11 December 2013, the parties had filed to withdraw the lawsuit and terminate the existing litigation against each other and then withdrew the bankruptcy case.</p>
Civil case: Black case No.1937/2553	Subsidiary (IEC Business Partners Co., Ltd.) and the Company	IGA, the authorized directors and a domestic commercial bank	<p>On 2 June 2010, the subsidiary and the Company filed a lawsuit against IGA, the authorized directors and a bank totaling 4 persons in order to cancel the fraud juristic act and claim the compensation in the amount of Baht 98 million. On 28 September 2011, IGA's and IGA authorized directors' lawyers filed the petition to the Court to temporarily dispose the case because of the absolute receivership order from the Central Bankruptcy Court to IGA. On 23 December 2011, the subsidiary's lawyer filed an application for liquidation in bankruptcy case to the official receiver as the fifth creditor</p>

Case No.	Plaintiff/Complainant	Defendant/ Objector	Description
			with claim amounted to Baht 89 million. The Official Receiver made the appointment for the first meeting of creditors on 15 May 2013. The meeting resolved that 4 creditors accepted the request to compromise debt before bankrupt of Baht 28 million and 2 creditors did not accept the request to compromise debt before bankrupt of Baht 131 million. Therefore, the requests to compromise debt of the debtor (IGA) not been accepted and the Official Receiver will report to the Court to sentence IGA in bankrupt and make the appointment to inquire IGA director. Subsequently, on 11 December 2013, the Company and subsidiary had withdrawn the lawsuit (only the Bank and director of the Bank) but other defendant, the Court made the appointment for investigate during 22 April 2014 to 8 May 2014.

- Since January 2004, the Customs Department sent notices to the Company seeking the return of approximately Baht 69.8 million (including interest accrued up to December 2005) in tax subsidiaries provision in the form of tax coupons, which the Company received from 9 companies and used for making payment of excise tax, on the grounds that the other companies had fraudulently acquired the tax coupons from the Customs Department. Since August 2004, the Customs Department had filed lawsuits to the Tax Court against the Company in 30 cases, seeking to recover approximately Baht 46.8 million (including interest accrued up to December 2005). Lawsuits had not yet been filed over the remaining amounted to Baht 23 million (including interest). The Court of First Instance ruled in favor of the plaintiff in 18 cases and 12 cases dismissed. As at 31 December 2013, the Supreme Court already sentenced 29 cases in favor of the Customs Department and 1 case dismissed and the Company had to pay compensation on tax coupons including interest (7.5 % per annum since 2004) to the Customs Department amounted to Baht 45 million (as at 31 December 2013 it was shown as other payables). As at 31 December 2013, the Company already recorded provisions on the above lawsuits amounting to Baht 30 million.

Contingent assets

Case No.	Plaintiff	Defendant	Description
Black case no.1255/2553	the Company	Former employee	On 19 March 2010, the Company as the plaintiffs filed a lawsuit against former employee as the defendant regarding the violation of an employment agreement. Because the defendant took the property and embezzlement of the Company's products of Baht 5,554,327 and on 16 December 2010, the Central Labour Court ruled that the defendant returned the property and goods to the Company or order defendant to pay the compensation of Baht 5,554,327 with interest rates 7.5 % per annum from 5 September 2009 onwards until the debt settlement will be completed. As of 26 February 2014, the Company has been in the process of investigation of the property to enforce the defendant under the law.

47. Pledged assets

As at 31 December 2013, the Group's/Company's bank deposits of Baht 65 million and Baht 56 million in the consolidated and separate financial statements, respectively, have been used as collateral for issuing the letters of guarantee by the domestic commercial banks for bidding, compliance with the agreements and borrowings.

As at 31 December 2013, 26 title deeds including present and future structures, condominium, building under construction, machinery under installation of 2 subsidiaries (cost value of Baht 952 million) including rights to insurance claims of those assets and a subsidiary shares' certificate of 2 million shares have been mortgaged as collateral for loans from a domestic commercial bank and the Government Savings Bank amounting to Baht 540 million.

48. Expenses by nature

Certain accounts included in calculating profit (loss) for the years ended 31 December 2013 and 2012 have been classified by nature as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Change in finished goods and work in process	(113)	62	(136)	66
Purchase of finished goods, and cost of rendering of services and rental	509	871	169	425
Management benefit expenses	31	33	27	25
Employee benefit expenses	35	45	17	21
Depreciation and amortization expenses	13	21	6	17
Doubtful debts expense	1	2	14	-
Loss on investments	-	8	3	5
Estimated loss of liabilities of subsidiaries and others	36	-	-	4
Impairment loss of assets	62	84	64	83
Loss on devaluation of investment	-	-	352	27
Consulting fee	8	16	3	5
Other	131	202	53	110
Total	713	1,344	572	788

49. Significant agreements

- On 29 October 2010, the Company signed on the business contract with MCOT Public Company Limited (“MCOT”) regarding the Digital Mobile TV business via a UHF frequency under the 58 – band. The Company takes charge of marketing and broadcast engineering services in Bangkok Metropolitan and outlying areas. The contract period is 5 years from the date of commercial operation with an automatic renewal by 5 years per each from the expiry date. The contract contains the significant term as follows:
 - Invest in the Project
 - Deliver the equipments to MCOT
 - Manage and take charge of marketing
 - Manage the operating, accounting and billing system
 - Agree to transfer DVB-T/H system of this project to MCOT with the term set out in the contract that MCOT agrees to renewal of contract by extending a period of 5 years.

MCOT agrees to pay compensation at the percentage of monthly total income generated from this project.

On 4 February 2014, the Company sent the letter to MCOT to clarify the facts regarding the operates a portable digital television via a UHF frequency under the 58 – bands that is unlawful by consensus at a meeting of NBTC. Presently, there is no a notification.

- On 9 July 2013, the Company entered into an information management system agreement with a public company, contract value of Baht 211 million (including VAT) for the period from 10 July

2013 to 4 July 2014. The term of agreement requires a service fee received in installment and a letter of guarantee issued by bank in the amount of Baht 21 million as collateral.

- On 11 April 2009, Team Solar Co., Ltd. (Formerly: Lumpoon Solar Co., Ltd.) (the subsidiary) entered into two power purchase agreements with the Provincial Electricity Authority (“PEA”) for project’s Lumpoon 1 and Lumpoon 2. The subsidiary agrees to sell electricity to PEA within 1 March 2011, the agreement is effective from 11 April 2009 for a period of five years and automatically renewal for a period of five years and effective until the subsidiary will cease trading electricity by written request to terminate the agreement or either party fails to comply with the condition of the agreement. The payment term according to the conditions is prescribed in the regulations for the purchase of electricity of PEA. The subsidiary has been approved by the PEA to extend to sell electricity to 30 September and has distributed the power to Provincial Electricity Authority since 23 September 2013.

- On 23 June 2010, GIDEC Co., Ltd. (the subsidiary) entered into a construction and services management of waste disposal system in community and amendment memorandum with Hatyai Municipality. The municipality agreed the subsidiary to construct the waste disposal system in community and to install the pollution treatment system on land owned by municipality. The subsidiary has the right to manage such system for a period of 25 years from the date of signing the contract. The significant details are as follows.
 - The subsidiary agreed to pay land rental amounted to Baht 500,000 per year to the municipality.

 - The subsidiary provided the property insurance coverage and determined the municipality as the beneficiary.

 - The municipality agreed to pay a waste disposal to the subsidiary at a rate of Baht 290 per ton for a period of 10 years and after the eleventh year to twenty-fifth year, a waste disposal rate will be revised every 5 years and the subsidiary has right to increase a waste disposal rate according to inflation rate but not more than 10% in every 5 years.

 - The subsidiary shall pay compensation to the municipality at a rate of 10% of revenue from waste disposal. The municipality shall deduct compensation from waste disposal expenses to be withdrawn by the subsidiary each month.

 - Constructions, building, machineries and other equipments under the agreement are owned by the municipality after the end of the agreement or the date of termination.

 - The subsidiary shall pay a consulting fee to the municipality for procuring work during construction period at the actual amount but not exceeding Baht 4,000,000.

- On 4 January 2011, GIDEC Co., Ltd. (the subsidiary) entered into a power purchase agreements with the Provincial Electricity Authority (“PEA”). The subsidiary agrees to sell electricity to PEA within 22 August 2011, the agreement is effective from 4 January 2011 for a period of five years and continuous renewed for a period of five years by automatically and effective until the subsidiary has ceased trading electricity by written request to terminate the agreement or either party fails to comply with the condition of the agreement. The payment term according to the conditions prescribed in the regulations for the purchase of electricity of PEA. However, as of 31 December 2013, the subsidiary is under construction and the subsidiary has been approved by the PEA to

extend to sell electricity to 27 December 2013 and expected to distribute the power to the PEA in the first quarter of 2014.

- On 29 April 2011, the subsidiary (GIDEC Co., Ltd.) entered into a letter to divide a space of land (Nor Sor 3 Kor) located at Khuanlang district, Amphur Hatyai, Songkha province of 38 rai 40 square wah for a period of 25 years from 25 June 2010 to 25 June 2035 in order to construction and manage waste disposal system in community, sizing not less than 250 tons per day. Total rental expenses amounted to Baht 15.26 million, annually payable on 25 June of following year at the rental rate from Baht 500,000 to Baht 732,050 per year with deposit amounted to Baht 1,526,275. Under the rental agreement No. 27/2554 dated 1 December 2010 certain conditions such as properties owned by the lessor.

50. Events after the reporting period

On 2 January 2014, the warrants were exercised to purchase ordinary shares of 291,890,000 shares at the exercise price of Baht 0.027 per shares totaling Baht 7,881,030 (the issued and paid-up shares capital were Baht 29,189,000 and discount on ordinary share were Baht 21,307,970). The Company registered the increased paid-up shares with the Ministry of Commerce on 8 January 2014.

The Board of Directors Meeting of Company on 15 January 2014 passed the resolution to purchase ordinary shares of 170,000 shares or 100% of the registered and paid-up share capital in E-Contech Management Pte.Ltd. (“E-Contech”) which is a company registered in Singapore from a group of former shareholders in lum-sum price which the buyers and seller agreed that was appropriated, amounted to Dollar Singapore 127,000 or about Baht 3,300,730. Valuation was based on the total value of consideration which was estimated by the Company’s management. The above share acquisition of the Company is to expand its business in consultant and research in engineering. On 24 January 2014, the Company made a payment of shares to the former shareholders in full amount.

51. Thai Financial Reporting Standards (TFRS) not yet adopted

The Group/Company has not adopted the following new and revised TFRS that has been issued as of the reporting date but are not yet effective. The new and revised TFRS are anticipated to become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table.

TFRS	Topic	Year effective
TAS 1 (revised 2012)	Presentation of Financial Statements	2014
TAS 7 (revised 2012)	Statement of Cash Flows	2014
TAS 12 (revised 2012)	Income Taxes	2014
TAS 17 (revised 2012)	Leases	2014
TAS 18 (revised 2012)	Revenue	2014
TAS 19 (revised 2012)	Employee Benefits	2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rate	2014
TAS 24 (revised 2012)	Related Party Disclosures	2014
TAS 28 (revised 2012)	Investments in Associates	2014
TAS 31 (revised 2012)	Interest in Joint Ventures	2014
TAS 34 (revised 2012)	Interim Financial Reporting	2014
TAS 36 (revised 2012)	Impairment of Assets	2014
TAS 38 (revised 2012)	Intangible Assets	2014
TFRS 2 (revised 2012)	Share – Based Payments	2014
TFRS 3 (revised 2012)	Business Combinations	2014
TFRS 5 (revised 2012)	Non – Current Assets Hold for Sale and Discontinued Operations	2014
TFRS 8 (revised 2012)	Operating Segments	2014
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	2014
TFRIC 7	Applying the Restatement Approach under IAS 29	2014
TFRIC 10	Interim Financial Reporting and Impairment	2014
TFRIC 12	Service Concession Arrangements	2014
TFRIC 13	Customer Loyalty Programmes	2014
TFRIC 17	Distributions of Non-cash Assets to Owners	2014
TFRIC 18	Transfers of Assets from Customers	2014
TSIC		
TSIC 15	Operating Leases-Incentives	2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2014
TSIC 29	Disclosure-Service Concession Arrangements	2014
TSIC 32	Intangible Assets-Web Site Costs	2014

Management expects to adopt and apply these new and revised TFRS in accordance with the FAP's announcement in the year which is effective and has made a preliminary assessment of the potential initial impact, there is no impact on the financial statements.

52. Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2012 and 1 January 2012, consolidated statement of comprehensive income and the statements of cash flows for the year ended 31 December 2012 have been reclassified to conform to financial statements for the year ended 31 December 2013 and as described in note 33 to the financial statements for comparative purposes were follow:

	2012					
	Consolidated financial statements			Separate financial statements		
	Before reclassify	Reclassify	After reclassify	Before reclassify	Reclassify	After reclassify
	(in million Baht)					
Statement of financial position						
as at 31 December 2012						
Goodwill	-	137	137	-	-	-
Other intangible assets	146	(137)	9	-	-	-
Trade and other payables	112	(112)	-	67	(67)	-
Trade accounts payable	-	17	17	-	2	2
Other payables	-	95	95	-	65	65
Total	258	-	258	67	-	67
Statement of financial position						
as at 1 January 2012						
Goodwill	-	137	137	-	-	-
Other intangible assets	182	(137)	45	-	-	-
Trade and other payables	270	(270)	-	113	(113)	-
Trade accounts payable	-	42	42	-	29	29
Other payables	-	228	228	-	84	84
Total	452	-	452	113	-	113
Statements of comprehensive						
income for the year ended 31						
December 2012						
Administrative expenses	225	12	237	-	-	-
Finance costs	21	44	65	-	-	-
Loss for the year from discontinued operations	56	(56)	-	-	-	-
Total	302	-	302	-	-	-

2012

	Consolidated financial statements			Separate financial statements		
	Before reclassify	Reclassify	After reclassify	Before reclassify	Reclassify	After reclassify
	<i>(in million Baht)</i>					
Statement of cash flows for the year ended 31 December 2012						
Cash flows from operating activities						
Interest income	-	(4)	(4)	-	(16)	(16)
Other receivable	(20)	(3)	(23)	(6)	6	-
Trade and other payable	(94)	94	-	(62)	62	-
Trade accounts payable	-	(37)	(37)	-	(44)	(44)
Other payable	-	(57)	(57)	-	(18)	(18)
Interest paid	(48)	48	-	(22)	22	-
Cash flows from investing						
Interest received	-	7	7	-	10	10
Cash flow from financing						
Interest paid	-	(48)	(48)	-	(22)	(22)
Total	(162)	-	(162)	(90)	-	(90)

Management Discussion and Analysis (MD&A)

- **Overall Operation**

The International Engineering Public Company Limited (“the company”) hereby reports operating results for the year as ended 31 December 2013 in comparison with the previous year that the company and subsidiaries achieved net profits in 2013, amounting THB 88.31 million. The company’s net profit increases amounting to THB 372.69 million, or 131.05 %, due to the adjustment of the Company and Subsidiaries’ policy to cease the low-profit business which is mobile phones distribution. In the fourth quarter of 2013, the company generated capital in two subsidiaries in mobile phones business, and increased the income from the information technology business; including subsidiaries in two energy business began to gain revenue from September and December 2013

In addition, in 2013, the Company paid debt in accordance with the debt restructural contract, resulting gaining profit from the contract amounting to THB 316.37. However the company and subsidiaries still loss from the principal business in 2013 with an amount of THB 103.39 million, comparing to THB 200.88 of the preceding year, a decrease amount of THB 70.49 or 35.09%.

- **Financial Status**

Revenue

The company and subsidiaries earn, in 2013, THB 436.50 million revenue from sales, service and rental, compared to THB 996.35 million in the preceding year, or an decreased amount of THB 559.85 million or 56.19 %. Due to in 2013, the company and subsidiaries ceased mobile phone distribution business, while refillable card distribution turned to be cash card business, resulting revenue realization to change from sales of goods to revenues from cash card sales, which realized only the selling price and cost of the cash card distribution. The company also earns THB 52 million from information technology business.

Subsidiaries began to earn revenue from two energy businesses starting from September 2013 and December 2013, and increased revenue from Adders in 2013.

Subsidiaries have fully settled the amount under the debt restructuring agreement resulting in gaining profit from debt restructuring amounting to THB 316.37 million.

In 2013, the company and subsidiaries earn other revenues compared to that of the preceding year, a decreased amount of THB 44.28 million or 75.40 % as in the preceding year, there were reversals of expenses amounting to THB 22 million and revenue from other services decreased THB 19.65 million.

In 2013, cost of sales, service and rental of the company and subsidiaries reaches THB 395.66 million with a gross profit margin of 10.80%, compared to figures in 2012, THB 933.39 million and 6.32 % respectively; whereas GP margin in 2013 decreased from the figure in 2012 due to closing low GP margin.

Cost of Sales and Service

In 2013, the company and subsidiaries posted THB 74.84 million or 29.98 % G&A and other expenses fewer comparing to the preceding year as a result of continuous organizational restructuring resulting in decreased expenses which related to employees, places and office equipment.

Assets

As of 31 December 2013, the company and subsidiaries have total assets of THB 2,597.68 million, compared to THB 1,107.80 million in 2012, equaling 74.35% increase due to increased amount of land, building and equipment of the energy-based subsidiaries and earning increase capital in 2013 THB 1,367.19 million.

Liabilities

As of 31 December 2013, the company and subsidiaries had total liabilities of THB 930.34 million; compared to THB 1,251.18 million in 2012, a THB 320.84 million or 25.64% decrease as in 2013; the company and subsidiaries have been spent for debt repayments according to the debt restructuring contract amounting to THB 310 million.

Liquidity and Source of Capital

In 2013, the company and subsidiaries spent THB 54.56 million net cash in operating activities as the company and subsidiaries registered losses from operations and inability to commercialize business in the fourth quarter of 2013.

THB 857.96 million net cash in investment activities were spent in 2013 through investment in energy business.

Whereas THB 1,124.99 million cashflow earned from financial activities in 2013 were obtained from capital increase.

• Operation Result in each Business

A summary of operation result of the company's groups divided into details as follow:

(1) Mobile Phone Business

In 2013, the Company and Subsidiaries earn THB 380 million from or 85% of total revenue Mobile Phone Business consisting of Mobile Phone Distribution of DTAC and IEC3G, comparing to a decrease of 61% of year 2012, due to ceasing Mobile Phones Distribution and the decrease of DTAC Distribution revenue to cash card, resulting revenue realization to change from sales of goods to revenues from cash card sales, which realized only the selling price and cost of the cash card distribution. The Company divested a subsidiary operation DTAC Distribution in the fourth quarter of 2013.

In term of IEC3, the total income reached THB 5.8 million in 2013, a decreased growth rate of 54.83 % comparing to the preceding year, due to high price and sales promotion competition. In addition, the 3G signals could not cover all areas. However, due to the uncontrollable problem of IEC3G business, Active Subscriber's numbers still maintains around 6-7 thousands and the IEC3G could not reach the target as planned.

(2) Information Technology Business

System Integrator Business is a major source of income in the Information Technology Business which consists of System Integrator and Digital Mobile TV. The total income of System Integrator is THB 52 million in 2013 or 6.74% of the total revenue of the Company and subsidiaries

Form other business in this group such as Digital Mobile TV; the company still stands by for the MCOT's procedure to ask permission for importing radiocommunication equipment license from the National Broadcasting and Telecommunications Commissions (NBCT), causing the inability to realize the revenue in 2013. Due to the delay of this project, the company considered the provision of asset impairment relating to Digital Mobile TV as at 31 December 2013, with an amount of THB 147 million. The company plans to extend the revenue from System Integrator Business which is anticipated to help increase the proportion of Information Technology Business Group in 2014.

(3) Energy Business

The company has extended investment in solar power plants by acquiring ordinary shares of Superdreampower Co.,Ltd in 2013. The realization of revenue from two energy business which are solar power plant in Mae Ta, Lamphun Province with production capacity at 2.6 MW and in Mae Ramad, Tak Province with production capacity at 6.3 MW from September and December 2014. This type of business will be the main income of the Company's group helping the loss from other business such as mobile business. This is to emphasize that the Company will change its role from representative of Telecommunications Distributions for many decades to the operator of Energy Business.

The company's Group collaborate with the Electricity Generating Public Company Limited in GIDEC Co.,Ltd. to operate the solid wastes power plants in Songkhla Province, with production capacity at 6.7 MW and will provide electricity for commercial use as soon as possible. It is expected that the power plant will be generate its electricity within the second quarter of 2014.