

IR.013/2018

19 July 2018

Re: The Information of a Disposition of Assets (Land sale) (Amendment)

To President

The Stock Exchange of Thailand

T Engineering Corporation Public Company Limited (the "Company") would like to inform the resolutions of the Board of Directors' meeting, held on 19 July 2018 granted approval for a disposition of assets. The details are as follows;

- Transaction date : Expected to enter into the land sale agreement by July 2018

- The contractual parties and their relationship

Seller: T Engineering Corporation Public Company Limited

Buyer: Amata Corporation Public Company Limited

Relationship: The other party is not related to the Company, either to management and shareholders.

- General transaction :

The disposal of 4 plots of land totaling area are 75 rai 34 square wah. The details are as follows;

Items	Title Deed No.	Area			Location
		Rai	Ngan	Square Wah	
1	2264	62	2	1	Phan Thong District , Amphoe Phan Thong , Chonburi
2	2266	1	1	46	Phan Thong District , Amphoe Phan Thong, Chonburi
3	10489	10	1	40	Phan Thong District , Amphoe Phan Thong, Chonburi
4	11056	-	3	47	Phan Thong District , Amphoe Phan Thong, Chonburi
Total		75	-	34	



T ENGINEERING
CORPORATION PCL

บริษัท ที เอ็นจิเนียริ่ง คอร์ปอเรชั่น จำกัด (มหาชน)
T Engineering Corporation Public Company Limited



ชั้นที่ 15 อาคารจักรนาการ เลขที่ 3 ถนนสาทรใต้ แขวงยานนาวา เขตสาทร กรุงเทพฯ 10120 โทร : 02-018-7190-8 แฟกซ์ : 02-018-7199 ทะเบียนเลขที่ 0107548000501
15th Floor, Rajanakarn Building, 3 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel : 02-018-7190-8 Fax : 02-018-7199 Tax ID : 0107548000501

- Details of assets for disposal :

Transaction	Condition
Area	75 Rai 34 Square wah
Price	412,967,500 Baht
Property	4 plots of land
Payment	The buyer will pay a deposit in the amount of Baht 82,593,500 on the date the parties enter into the agreement. The buyer will pay the remaining amount of Baht 330,374,000 on the date of registration of land transfer at Department of Lands within December 2018. Both parties have agreed to pay equally for income tax, registration fee, specific business tax, and stamp duty which related to the registration of land transfer. The local maintenance tax and property tax will be borne by the Company.
Status of property	At present, the land is mortgaged with Bangkok Bank Public Company Limited. The Company will release the mortgage before the date of registration of land transfer. On the land transfer date, the Company has to deliver such land without mortgage, servitude, and any deprive.

- Total Value of transactions and criteria on pricing :

The purchase price is determined on the fair value of land appraised by Bell Survey Limited, which is an independent appraiser approved by the Office of the Securities and Exchange Commission (SEC) to appraise land and property, which in accordance with the market price and higher than the appraisal price.

- Benefit :

The Company will allocate the proceed from the land sale to repay the Company's loan to a financial institution and use it as working capital within the Company. This transaction does not have any negative impact to the Company. At present, this land is used as a warehouse, storage center, and center for maintenance of equipment and tools of the Company. The Company will relocate and move the property within 120 days after the signing date of the agreement.



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- Calculation method :

The transaction of above are considered the disposal of assets. According to the Notification of Capital Market Supervisory Board No. Tor Chor. 20/2551 Re: Rules on the transactions that are significantly connected to the acquisition or disposition of assets and the Stock Exchange of Thailand Re: Disclosure of Information and Practice of Listed Companies Concerning the Acquisition or Disposition of Assets, 2547 ("Notification of Acquiring or Disposition"). The value of the transaction is 45.29% of the Company's total assets as of March 31, 2018 $((412,967,500 \times 100) / 911,815,792 = 45.29)$ (The transaction size under the calculation criteria which is total consideration value compared to the Company's total assets). When combined with asset disposition transaction in the past six months, the total value of the transaction will be 46.39% (The transaction size under the calculation criteria is based on total consideration value compared to the Company's total assets). Therefore, it is deemed as a Type 2 asset disposal transaction, i.e. transaction value higher than 15% but less than 50%, and the Company is obligated to prepare a report and disclose information on the transaction to the SET and to submit a circular letter to inform its shareholder [within 21 days from the date of disclosure of the transaction to the SET](#).

- The opinion of Directors :

The Board of Directors agreed to approve for this transaction due to consider that these disposal of 4 plots of land are selling at a reasonable price and higher than the appraised price. This transaction is not relevant to criterion according to the Disclosure of Information and Acts of Listed Companies Concerning the Connected Transaction 2003 because [the other party is not related to the Company](#), either to management and shareholders.

The Board of Directors determined that the disposal of 4 plots of land will benefit for the Company's operation which expected that the Company will enter into this transaction within July 2018 and registered of land transfer at Department of Lands to be completed within December 2018. The Company will allocate proceeds from the disposal of such assets as follows;

1. To repay the Company's loan to a financial institution of Baht 40,165,062.60, which will result that the Company has no long-term debt to existing financial institution.
2. After transfer of the ownership of the land, the Company will reserve approximately Baht 200 - 250 million for contingent liability under the letter of guarantee. Part of such contingent liability is related to the Company's litigation cases in 2012 - 2014. However, if after the court has ruled that the company wins the case, the Company will take these reserved amount and interest into the Company's working capital, which expected that the case will be completed by mid-2019.
3. To use it as working capital in the business operation and/or any other business that can generate more revenue and profit for the Company.



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In summary, the disposal of 4 plots of land will increase the Company's financial liquidity and its D/E Ratio is below 1. Moreover, partial revenue from the disposal of assets will be reserved for contingent liability under the letter of guarantee. This will bring stability and financial confidence to financial institution and its Company partners.

- The opinion of the Audit Committee and/or Director of the Company which differ from the opinion of Board of Directors

-None-

The Company provides this information for acknowledgement and dissemination to the public and other investors.

Sincerely yours,

(Mr. Tradsin Chongussayakul)

Chief Executive Officer and Acting Managing Director

T Engineering Corporation Public Company Limited