



No. OTO 073/2021

September 30, 2021

Subject: Notification of the Resolutions of the Board of Directors' Meeting regarding the Purchase of Shares in Hinsitsu (Thailand) Public Company Limited ([Additional](#))

To: The President
The Stock Exchange of Thailand

Enclosure: Information Memorandum on the Acquisition of Assets by One Contacts Public Company Limited

One to One Contacts Public Company Limited (the “**Company**”) hereby notifies the Stock Exchange of Thailand (the “**SET**”) that the Board of Directors' Meeting No. 11/2021, which was held on September 9, 2021 has passed the resolution for the Company to invest in Hinsitsu (Thailand) Public Company Limited (“**Hinsitsu**”), which is currently engaging in business of manufacturing of silk screen name plates and label stickers per order of customers relating to electrical and electronic IT related and telecommunication products for both domestic and overseas markets by purchasing ordinary shares from an existing shareholder of Hinsitsu (the seller) namely Simat Technologies Public Company Limited (“**SIMAT**”), in the amount of 100,000 shares with a par value of THB 100 per share or equivalent to 10 percent the total shares of Hinsitsu at the total value of THB 175,000,000 (the “**Investment in Hinsitsu**”). In this regard, the Company (as the purchaser) has already executed the relevant share sale and purchase agreement with SIMAT (as the seller) (the “**Share Purchase Agreement**”) on September 30, 2021. The Investment in Hinsitsu is initially expected to be completed within by October 31, 2021.

The Investment in Hinsitsu is regarded as an acquisition of assets by the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (including its amendment) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 (2004) (including its amendment) (collectively, the “**Notifications on Acquisition or Disposition of Material Assets**”). Upon review of the transaction size used in the calculation of the maximum value of the transaction based on the reviewed quarterly financial statements of the Company ended June 30, 2021 by various approaches under the Notifications on Acquisition or Disposition of Material Assets, the maximum value of the transaction is equal to 24.89 percent based on the Total Value of Consideration. Upon combination with the Company's transactions on acquisition of assets over the past six months prior to the execution of this transaction, the total transaction value of the acquisition of assets by the Company is equal to 27.05 percent based on the total value of consideration. Such transaction is therefore classified as a “Class 2 Transaction” under the Notifications on Acquisition or Disposition of Material Assets, i.e. transaction

which has a transaction value exceeding 15 percent but lower than 50 percent. The Company is, therefore, obliged to prepare a report and disclose the information in respect of the entry into the transaction to the SET immediately, whereby there must be an information memorandum comprising at least as many details as required in List (1) of the Notifications on Acquisition or Disposition of Material Assets, and a circular notice must be sent to shareholders within 21 days of the date of disclosure of the transaction to the SET. However, such investment of the Company does not classify as a connected transaction by the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions (including its amendment) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (including its amendment).

Please refer to further details in the Information Memorandum on the Acquisition of Assets by the Company (Enclosure). In this regard, the Board of Directors' Meeting has authorized the Chairman of the Executive Committee and the Chief Executive Office and/or any person assigned by the Chairman of the Executive Committee and the Chief Executive Officer of the Company to have the power to negotiate, enter into, and sign in any relating documents and agreements, including the power to perform other actions as necessary and appropriate to complete the Investment in Hinsitsu pursuant to relevant laws.

Please be informed accordingly.

Yours faithfully,

(Mr. Kanawuthi Wattanadhirach)
Chairman of the Executive Committee and
Chief Executive Officer

Information Memorandum on the Acquisition of Assets by the Company

The Board of Directors' Meeting No. 11/2021, which was held on September 9, 2021 has passed the resolution for the Company to invest in Hinsitsu (Thailand) Public Company Limited ("**Hinsitsu**"), which is currently engaging in business of manufacturing of silk screen name plates and label stickers per order of customers relating to electrical and electronic IT related and telecommunication products for both domestic and overseas markets by purchasing ordinary shares from an existing shareholder of Hinsitsu (the seller) namely Simat Technologies Public Company Limited ("**SIMAT**"), in the amount of 100,000 shares with a par value of THB 100 per share or equivalent to 10 percent the total shares of Hinsitsu at the total value of THB 175,000,000 (the "**Investment in Hinsitsu**"). In this regard, the Company (as the purchaser) has already executed the relevant share sale and purchase agreement with SIMAT (as the seller) (the "**Share Purchase Agreement**") on September 30, 2021. The Investment in Hinsitsu is initially expected to be completed within by October 31, 2021.

The Investment in Hinsitsu is regarded as an acquisition of assets by the Company pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (including its amendment) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposition of Assets B. E. 2547 (2004) (including its amendment) (collectively, the "**Notifications on Acquisition or Disposition of Material Assets**"). Upon review of the transaction size used in the calculation of the maximum value of the transaction based on the reviewed quarterly financial statements of the Company ended June 30, 2021 by various approaches under the Notifications on Acquisition or Disposition of Material Assets, the maximum value of the transaction is equal to 24.89 percent based on the Total Value of Consideration. Upon combination with the Company's transactions on acquisition of assets over the past six months prior to the execution of this transaction, the total transaction value of the acquisition of assets by the Company is equal to 27.05 percent based on the total value of consideration. Such transaction is therefore classified as a "Class 2 Transaction" under the Notifications on Acquisition or Disposition of Material Assets, i.e. transaction which has a transaction value exceeding 15 percent but lower than 50 percent. The Company is, therefore, obliged to prepare a report and disclose the information in respect of the entry into the transaction to the SET immediately, whereby there must be an information memorandum comprising at least as many details as required in List (1) of the Notifications on Acquisition or Disposition of Material Assets, and a circular notice must be sent to shareholders within 21 days of the date of disclosure of the transaction to the SET. However, such investment of the Company does not classify as a connected transaction by the Company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions (including its amendment) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (including its amendment).

Therefore, the Company would like to disclose such information memorandum regarding the acquisition of assets pursuant to the Notifications on Acquisition or Disposition of Material Assets and the execution of connected transaction to the SET, with the details as follows:

- 1. Date of the Transaction**

The Company has executed the Share Purchase Agreement with the seller namely SIMAT on September 30, 2021. The Share Purchase Agreement contains conditions precedent which the sale and purchase of shares thereunder will be completed only when the conditions precedent specified in the Share Purchase Agreement are completed or waived by the other party. In this regard, the Company expects that the Investment in Hinsitsu will be completed within October 31, 2021 or other date as mutually agreed between the parties.
- 2. Related Parties and Relationship with the Company**

Buyer : The Company

Seller : SIMAT

Relationship with the Company : As the date of disclosure of this Information memorandum, the seller, including its ultimate beneficiaries, are independent third party and are not the related persons of the Company. Therefore, the execution of the Investment in Hinsitsu is not considered as a connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions (including its amendment) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (including its amendment).
- 3. General Description of the Transactions**

Within October 31, 2021 and after the completion of due diligence in Hinsitsu by the Company and the Company has been satisfied with the results of the due diligence, the Company will acquire ordinary shares in Hinsitsu in the amount of 100,000 shares with a par value of THB 100 per share or equivalent to 10 percent of the total shares in Hinsitsu, at the total purchase price of THB 175,000,000, from an existing shareholder of Hinsitsu namely SIMAT. In this regard, the purchase price of shares is calculated based on the discounted

cash flow value of such shares. After the execution of the Investment in Hinsitsu, the Company will have its shareholding proportion in Hinsitsu at 10 percent of the total shares in Hinsitsu.

4. Calculation of the Transaction Size

The Investment in Hinsitsu is considered as an acquisition of assets by the Company pursuant to the Notifications on Acquisition or Disposition of Material Assets. For calculation of the transaction size, the Company consider the relevant information from the reviewed quarterly financial statements as of June 30, 2021 having details as follows:

Basis of Calculation	Formula	Formula	Transaction Size (percent)
1. Net Tangible Assets*	(NTA of the Investment x Proportion of assets acquired)/NTA of the Company	$\frac{203.39 \times 10\%}{559.4}$	3.64%
2. Net Operating Profits*	(Net operating profits of the investment x Buying Ratio)/ Net operating profits of the Company	The criteria are not calculated because the Company has a loss of performance.	-
3. Total Value of Consideration*	(Value of transaction paid x 100)/ Total assets of the Company	$\frac{175 \times 100}{703.08}$	24.89%
4. Value of Securities	(Equity shares issued for the payment of assets x 100)/ Paid-up shares of the Company	This is not applicable because the Company issues no securities.	-

** The above information of the transaction size is calculated based on the Company's quarterly financial statement as of June 30, 2021 which is reviewed by a licensed auditor.

Upon the reviewing of the transaction size based on the reviewed quarterly financial statements of the Company ended June 30, 2021 by various approaches under the Notifications on Acquisition or Disposition of Material Assets, the maximum value of the transaction is equal to 24.89 percent based on the Total Value of Consideration. Upon combination with the Company's transactions on acquisition of assets over the past six months prior to the execution of the Company, the total transaction value of the acquisition of assets by the Company is equal to 27.05 percent based on the Total Value of Consideration. Therefore, this transaction is considered as type 2 transaction according to the announcement on the acquisition or disposition of significant assets, that is, the transaction size exceeds 15% but lower than 50%. The Company is obliged to prepare a report and disclose information of the transaction to the Stock Exchange of Thailand immediately with at least information in the List (1) attached to the announcement on the acquisition or disposition of assets and send a letter to the Stock Exchange of Thailand to notify shareholders within 21 days from the date of disclosure to the SET. However, such investment of the Company does not classify as a connected transaction by the Company.

5. **Details of Acquired Assets** After the Investment in Hinsitsu, the Company will hold the ordinary shares in Hinsitsu in the amount of 100,000 shares with the par value of THB 100 per share equivalent to 10 percent the total shares in Hinsitsu.
- 1) **General information of Hinsitsu**
- Name of the company:** Hinsitsu (Thailand) Public Company Limited
- Nature of business:** manufacturing of silk screen name plates and label stickers per order of customers relating to electrical and electronic IT related and telecommunication products for both domestic and overseas markets.
- Head Office's Address:** 20/2 Moo 4, Theparak Road, Bangplee-Yai Sub-district, Bangplee District, Samutprakarn Province
- Registered Capital and Paid-up Capital:** THB 100,000,000 divided into 1,000,000 ordinary shares with a par value of 100 per share which is fully paid-up.

Name of Directors:

1. Mr. Chen Kwan Sin
2. Mr. Vincent Lau Bick Yeong
3. Mr. Teerawut Kannibhakul
4. Mr. Siraphop Lamchan
5. Mr. Teeranut Thangsatapornpong
6. Mr. Weidt Nuchjalearn
7. Mr. Vorapot Phoekeo
8. Mr. Sirisak Manitkunakarn
9. Mr. Sommai Yanoi

- 2) List of Shareholder in Hinsitsu before and after entering into the Transaction

Shareholder of Hinsitsu	Before the Investment		After the Investment	
	Registered Capital THB 100,000,000		Registered Capital THB 100,000,000	
	Number of shares	percent	Number of shares	percent
1. SIMAT	700,000	70	600,000	60
2. Mr. Vincent Lau Bick Yeong	199,999	19.99	199,999	19.99
3. Mr. Chen Kwan Sin	99,999	9.99	99,999	9.99
4. Mr. Supoj Kaewmanee	1	0.0001	1	0.0001
5. Mr. Sansern Watthanachirotkun	1	0.0001	1	0.0001
6. The Company	-	-	100,000	10
Total	1,000,000	100	1,000,000	100

- 3) Nature of business The main objective of Hinsitsu is manufacturing of stickers, label, nameplate or any material to produce stickers and color printing on plastic color printing on synthetic resin paper by electronic device. Presently, Hinsitsu holds the shares

in 2 subsidiaries which are (1) Simat Label Company Limited (Hinsitsu holds 99.99 percent of total shares) which operates the business of manufacturing of stickers, label, barcode paper and telecommunication material and its related material and (2) Hinsitsu Precision (Thailand) Co., Ltd. (Hinsitsu holds 75.01 percent of total shares Mr. Chen Chi holds 24.99 percent of total shares and Mr. Winsen Lua Bick Yeong holds 1 shares) which operates the business of manufacturing and trading of sticker, label and material to produce stickers.

4) Summary of financial information

Financial Information	Ended as of December 31, 2020 <small>(consolidated financial statements)</small>	Ended as of December 31, 2019 <small>(consolidated financial statements)</small>	Ended as of December 31, 2018 <small>(consolidated financial statements)</small>
Total assets	472,682,345	413,663,831	484,151,245
Intangible assets excluding the main	8,423,680	7,881,462	4,744,675
Total liabilities	294,287,922	258,838,988	113,533,468
Total shareholders'	178,394,423	154,824,843	370,617,777
Sale revenue	583,533,004	581,339,465	475,175,732
Net profit (loss)	86,951,527	87,845,407	27,631,512

6. Total Value of Consideration and Payment

The total value of consideration of Hinsitsu's 100,000 shares with per par value of THB 100 per share is at the purchase price of THB 1,750 per share or totaling THB 175,000,000 which is calculated based on discounted value of such shares. The Company will pay the purchase price by wire transfer to a bank account to be specified by SIMAT on the completion date of the Investment in Hinsitsu.

7. Total Value of Acquired or Disposed Assets

The ordinary shares of Hinsitsu in the amount of 100,000 shares with a par value of THB 100 per share or equivalent to 10 percent the total issued and sold shares of Hinsitsu

8. Basis of Determination of the

The Discounted Cash Flow value of Hinsitsu's shares calculated by Advance Capital Services Company Limited. The calculation is based on the income projection and profit projection of Hinsitsu by using historical performance and

- Value of Consideration profitability that Hinsitsu made in the past as the starting assumptions for the projection which the result of the value of Hinsitsu is equal to THB 1,657.91 – 1,995.70 million with the discount rate of 8.75 percent per year.
9. Expected Benefits to the Company Hinsitsu operates business of manufacturing of silk screen name plates and label stickers per order of customers relating to electrical and electronic IT related and telecommunication products for both domestic and overseas markets which is the business that the Company foresees potential for growing. According to the due diligence, status and business progress of the Hinsitsu, the Company found that Hinsitsu is an interesting company having good performance and constantly growing. In addition, the Company wish to expand the scope of business to the new potential business with the competition potential in order to develop the operating result of the Company. The Company deemed that the Investment in Hinsitsu shall increase the opportunity to create a better performance of the Company which is in accordance with the investment policy of the Company and will invest in businesses with high growth potential, certain income and has a level of risk that is appropriate for the return on investment and the Company's current business plan.
10. Source of Funds The Company shall use the proceeds derived from the offering of newly issued shares under Initial Public Offering (IPO) in the amount not exceeding THB 148.29 million and/or working capital of the Company in the amount not exceeding THB 16.71 million and/or loan from financial institution in the amount not exceeding THB 10 million.
11. Interested directors and/or connected persons who were not present in the consideration and voting -None-
12. Opinion of the Board of Directors The Board of Directors has considered the Investment in Hinsitsu and deemed that this investment is reasonable and in the best interest for the Company and the shareholders because it will increase the operating potential of the Company and expand the scope of business to the new potential business with the competition potential in order to develop the operating result of the Company.

This is an opportunity for the Company to step into the publishing business with has a high potential. Moreover, Hinsitsu is a company that is constantly growing and produces quality prints that reach the world-class standards.

13. **Opinion of the Audit Committee** The Audit Committee's opinions are not different from those of the Board of Directors.