



No. OTO 003/2566

January 11, 2023

Subject: Notification of the Disposition of the Company's assets and the establishment of a subsidiary ([Additional Information](#))

To President
The Stock Exchange of Thailand

One to One Contacts Public Company Limited ("The Company") would like to inform the Stock Exchange of Thailand ("SET"), that the Board of Directors Meeting No. 1/2023 held on January 10, 2023, has resolved on the following important matters;

1. Approved the establishment of a subsidiary of the Company, with the details as follows;

Name	In Process
Date of Company Registration	The establishment of the subsidiary will be completed within February 2023.
Registered Capital	10,000,000 baht (ten million baht). Number of shares totaling 100,000 shares with a par value at 100 baht per share.
Objective	To support the expansion of the Company's business in the import, manufacturing, assembling and sale of electric motorcycles and parts.
Ownership Stake	The Company holds 99.98 percent of the registered capital.
Source of Funds	Working Capital of the Company
Expected Benefits to the Company	To create further opportunities and means for business expansion, and create more sources of income for the Company.

The aforementioned item is regarded as an acquisition of assets according to the according to the Notification of the Capital Market Supervisory Board No. Tor.Jor. 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 Assets"). After reviewing the size of the transaction, the criteria for calculations being based

on the highest transaction value from the audited quarterly financial statements of the Company, ending September 30, 2022, and being subject to various criteria under the **Notifications on Acquisition or Disposition of Assets**. The Company during the last 6 months, has a combined result transaction value of 1.11 percent based on the criteria provided. Therefore, the size of the transaction is less than 15 percent, as such, is not considered an asset acquisition in which the Company must report and disclose information of the transaction to the SET in pursuant to the **Notifications on Acquisition or Disposition of Assets**.

The Company will inform further details once there is progress on the establishment of the subsidiary.

2. Approval for the Company, for the sale of ordinary shares of Hinsitsu (Thailand) Public Company Limited (“HS”) which operates in silk screen, name plates, stickers and label manufacturing and the provision of electrical appliances to both domestic and international markets to Simat Technologies Public Company Limited (“SIMAT”) in the amount of 6,000,000 shares at a par value of 0.50 baht per share, representing 3.00 percent of all shares of HS, at a purchase value of 52,500,000 baht. The same price in which the Company bought HS shares from SIMAT on September 9, 2021 (“Disposal of the Company’s Investment Capital”). The intention of the Company to use the proceeds from the sale of such shares to improve the Company’s liquidity and invest in new businesses of the Company in the future. The Company will still hold 14,000,000 shares in HS, representing 7.00 percent of the total issued and paid-up ordinary shares of HS, and this disposal does not affect both the operating results and financial status of the Company in any way.

In this regard, the Company (as the seller) has entered into a share purchase agreement with SIMAT (as the buyer) (“**Share Purchase Agreement**”) on January 11, 2023. The company expect the disposition of the investment of the Company to be completed under the terms and conditions of the share purchase agreement within January 31, 2023.

The Disposal of investment of the Company is classified as a disposition of assets according to the **Notifications on Acquisition or Disposition of Assets**. After reviewing the size of the transaction, the criteria for calculations being based on the highest transaction value from the audited quarterly financial statements of the Company, ending September 30, 2022, and being subject to various criteria under the **Notifications on Acquisition or Disposition of Assets** (The Company has no asset disposition transaction during the past 6 months). As such, this disposition of asset has the highest transaction value of 5.82 percent based on the criteria. Therefore, the size of the transaction is less than 15 percent, as such, is not considered an asset disposition in which the Company must report and disclose information of the transaction to the SET in pursuant to the **Notifications on Acquisition or Disposition of Assets**. Additionally, the disposition of such investment asset of the Company is not considered a connected transaction of the Company under the Notification of the Capital Market Supervisory Board No the Acquisition of Investment in Subsidiary is not considered a connected transaction of 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).

The details related to the disposition of the Company investment assets are as follows;

- Date of Transaction : The Company (as the seller) has entered into a share purchase agreement with SIMAT (as the buyer) (“Share Purchase Agreement”) on January 11, 2023. The company expect the disposition of the investment of the Company to be completed under the terms and conditions of the share purchase agreement within January 31, 2023. If necessary, the Company and SIMAT may agree to postpone said share purchase date as necessary, which is set in writing.
- Related Counterparties : Seller is One to One Contacts Public Company Limited
Buyer is Simat Technologies Public Company Limited
- Nature of Relationship : As of the date of disclosure of this information memorandum, the purchaser, including its shareholders, are independent third parties of the Company and are not a related persons of the Company. Therefore, the transaction is not considered as a connected transaction pursuant to the Notification of the Capital Market Supervisory Board.
- General Description of the Transaction : The Company will enter into a transaction selling the shares of HS, in the amount of 6,000,000 shares at a par value of 0.50 baht, representing 3.00 percent of all shares in HS, at a purchase value of 52,500,000 baht, which is the price agreed between the buyer and seller under the terms and conditions of the share purchase agreement. The same price the Company bought HS shares from SIMAT on September 9, 2021. After the disposition of HS shares, the Company will hold 14,000,000 shares in HS, representing 7.00 percent of the total issued and paid-up ordinary shares of HS. The Company intends to use the proceeds from the sale of such shares to improve the Company’s liquidity and invest in new businesses of the Company in the future.

Calculation of Transaction Size : The disposition of the Company's asset is classified as asset disposition according to the **Notifications on Acquisition or Disposition of Assets**. The Company uses information from the Company audited quarterly financial statements, ending September 30, 2022, to calculate the transaction size. Details are as follows;

Calculation Criteria	Transaction Size (Percent %)
1. Net Tangible Assets*	1.15
2. Net Operating Profits*	Cannot be calculated, as the Company's total operating results for the past 4 quarters result in a loss.
3. Total Value of Consideration*	5.82
4. Value of Securities	Not applicable as the Company does not issue securities.

Remark

*HS Financial information used for calculation is from the audited financial statements for the period ended September 30, 2022.

Details of Disposed Assets : The Company intends to sell 6,000,000 shares of HS at a par value of 0.50 baht per share, representing 3.00 percent of all HS shares, with a purchase value of 52,500,000 baht. Relevant details as follows;

(1) General Information of HS

Name	Hinsitsu (Thailand) Public Company Limited
Nature of Business	Operates in silk screen, name plates, stickers and label manufacturing and the provision of electrical appliances to both domestic and international markets
Head Office Address	20/2 Moo 4, Theparak Road, Bangplee-Yai Sub-district Bangplee District, Samutprakarn Province
Registered Capital and Paid-Up Capital	Registered Capital 126,000,000 baht Paid Up Capital 100,000,000 baht Par Value of 0.50 baht per share, with 200,000,000 shares that have been issued and sold.

Directors	<ol style="list-style-type: none"> 1. Mr. Chen Kwan Sin 2. Mr. Vincent Lau Bick Yeong 3. Mr. Boonlerd lewpornchai 4. Mr. Siraphop Lamchan 5. Mr. Teeranut Thangsatapornpong 6. Mr. Weidt Nuchjalearn 7. Mr. Vorapot Phokeo 8. Mr. Sirisak Manikunakarn 9. Mr. Sommai Yanoi
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(2) List of HS Shareholders before and after the transaction

HS Shareholders	Before the transaction		After the transaction Buy 10 percent of HS 30 September 2021		After the disposition of 3 percent of HS shares 10 January 2023	
	Registered Capital 100 million baht 1,000,000 shares Par Value of 100 baht per share		Registered Capital 100 million baht 1,000,000 shares Par Value of 100 baht per share		Registered Capital 126 million baht Paid Up Registered Capital 100 million baht 200,000,000 shares Par Value of 0.50 baht per share	
Order	Number of shares	Percent (%)	Number of shares	Percent (%)	Number of shares	Percent (%)
1. Simat Technologies Public Company Limited	700,000	70.00	600,000	60.00	126,000,000	63.00
2. Mr. Vincent Lau Bick Yeong	199,999	20.00	199,999	19.99	39,999,800	19.99
3. Mr. Chen Kwan Sin	99,999	9.99	99,999	9.99	19,999,800	9.99
4. Mr. Supoj Kaewmanee	1	0.0001	1	0.0001	200	0.0001
5. Mr. Sansoen Vattanajirotkul	1	0.0001	1	0.0001	200	0.0001
6. One to One Contacts Public Company Limited	-	-	100,000	10.00	14,000,000	7.00
Total	1,000,000	100.0	1,000,000	100.0	200,000,000	100.0

(3) Nature of Business

Operates in silk screen, name plates, stickers and label manufacturing and the provision of electrical appliances to both domestic and international markets

(4) Financial Statement

Financial Statement	Ended as of 30 September 2022 (Reviewed)	Ended as of 31 December 2021 (Audited)	Ended as of 31 December 2020 (Audited)
Total Assets	542,961,054	484,450,534	472,682,345
Intangible assets excluding the main income-generating	15,649,139	18,180,736	16,019,767
Total Liabilities	279,310,833	276,969,788	294,287,922
Total Liabilities	263,650,221	207,480,746	178,394,423
Equity Attributable To Owners Of The Parent	<i>**256,446,909</i>	<i>204,234,093</i>	<i>174,870,007</i>
<i>Non-Controlling Interests</i>	<i>2,205,312</i>	<i>3,246,653</i>	<i>3,524,416</i>
<i>Paid-Up Ordinary Shares of Subsidiary</i>	<i>4,998,000</i>	-	-
Sales Revenue	446,266,779 (3 quarters)	598,232,089	583,533,004
Net Profit (Loss)	51,171,475 (3 quarters)	79,086,396	86,951,527
Equity Attributable To Owners Of The Parent	<i>51,873,969</i>	<i>79,364,086</i>	<i>86,307,185</i>
<i>Non-Controlling Interests</i>	<i>(702,494)</i>	<i>(277,690)</i>	<i>(237,506)</i>
Dividend	-	(50,000,073)	(62,500,099)
Equity Attributable To Owners Of The Parent		<i>(50,000,000)</i>	<i>(62,500,000)</i>
<i>Non-Controlling Interests</i>		<i>(73)</i>	<i>(99)</i>
<p><i>** Although, there are changes to the number of shares held by the shareholders of the parent company. The acquisitions of the shares of HS (on 9 September 2022) were calculated using the Present Value of Cash Flow (Discounted Cash Flow) based on future income projections and profits of HS using past operating performance and profitability of HS as the assumptions to create forecasts. The value of HS was projected at 1,657.91 – 1,995.70 million baht, with a discount rate of 8.75% per year, higher than the book value.</i></p>			

Total Value of Consideration and Payment	:	Share purchase agreement price for 6,000,000 shares of HS. Par value of 0.50 baht, price of 8.75 baht per share, totaling 52,500,000 baht. The price agreed between buyer and seller according to the terms and conditions of the share purchase agreement, and is the same price that the Company bought HS shares from SIMAT on September 9, 2021. <i>In any case, there were no specification to any prohibitions or conditions allowing for both parties to buy or sell back HS shares to the counterparty.</i>
Total Value of Acquired or Disposed Assets	:	6,000,000 HS shares with a par value of 0.50 baht per share, representing 3.00 percent of the total shares of HS.
Basis of Determination of the Value of Consideration	:	Price agreed between buyer and seller. <i>On the date September 9, 2021, on which the Company acquired the shares of HS amounting to 10 percent of all HS shares, the price was calculated using the Discounted Cash Flow based on future income projections and profits of HS using past operating performance and profitability of HS as the assumptions to create forecasts. The value of HS was projected at 1,657.91 – 1,995.70 million baht, with a discount rate of 8.75% per year. However, the actual performance of HS following the valuation, had a lower than forecasted revenue growth rate. Therefore, the price at which the Company acquired the HS shares on September 9, 2021, were deemed reasonable for this transaction.</i>
Expected Benefits to the Company	:	The Company will receive capital (money) to improve the Company's liquidity for business operations. Additional, the Company can focus on the development of the Company's core business. To use the money received for investment in new businesses of the Company and to reduce the proportion of investment in the form of 'Passive Investment' to provide clarity in business operations. To also comply with the revised rules of the Securities and Exchange Commission and the Stock Exchange of Thailand, for listed companies to not be an Investment Company (except for listed companies operating as a financial institution business). Defined as companies with investment in securities, futures, or digital assets in which the company does not participate in the management (Passive Investment) totaling more than 40% of the company's total assets.
Plan for Utilizing the proceeds received from disposition of assets	:	The Company plans to use the proceeds from the disposition of assets in HS to improve the Company's liquidity for business operations and to support the expansion of the Company's business.
Interested directors and/or connected persons who were not present in the consideration and voting	:	-None-

Opinions of the Board of Directors : The Board of Directors has reviewed and is of the opinion that the disposition of the investment in HS is appropriate, reasonable and is in the best interest of the Company. As, the Company intends to use the capital received in order to manage the Company liquidity for the utmost benefit, and to improve on the Company's performance. The Company received dividend from HS in an amount deemed appropriate to the investment. However, according to the business plan of the Company, the Company intends to use the money for other purposes, including but not limited to, working capital of the Company, expansion of the Company's business. This is in the Company's and shareholders' best interest, and the disposition of HS shares allows the Company to receive money for implementation of said plan. In addition, the Board of Directors is of the opinion that the price under the share purchase agreement of the Company's disposition of the asset is reasonable considering the performance of HS.

Opinions of the Audit Committee : The Audit Committee's holds the same opinions as from those of Board of Directors.

Please be informed accordingly,

Yours faithfully,

(Mr. Kanawuthi Wattanadhirach)

Chairman of the Executive Committee and Chief Executive Officer