

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



platt nera

## **Platt Nera International Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1949)**

### **CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS**

The Board wishes to announce that on 8 November 2019, PN, an indirectly owned subsidiary of the Company, entered into a Supply Agreement with TON for the supply of (i) certain equipment; and (ii) connectivity airtime for a period of three years and maintenance services for a period of two years by TON to PN.

TON is a company registered under the laws of Thailand, which is owned as to approximately 99.0% by Mr. Asvaplungprohm, an executive Director and one of our Controlling Shareholders. Hence, TON is an associate of Mr. Asvaplungprohm and is therefore a connected person of our Group. Accordingly, the transaction between PN and TON for the supply of certain equipment constitutes a connected transaction of the Company under the Listing Rules, and the transactions between PN and TON for the supply of connectivity airtime for a period of three years and maintenance services for a period of two years constitute continuing connected transactions of the Company under the Listing Rules.

As more than one of the relevant percentage ratios under the Listing Rules in respect of the Connected Transaction and the Continuing Connected Transactions on an aggregate basis exceed 0.1% but less than 5%, the Connected Transaction and the Continuing Connected Transactions are therefore exempt from the independent Shareholders' approval requirements and are only subject to the reporting, announcement and, in the case of the Continuing Connected Transactions only, annual review requirements under Chapter 14A of the Listing Rules.

## 1. SUPPLY AGREEMENT

On 8 November 2019, PN entered into a Supply Agreement with TON for the supply of (i) certain equipment; and (ii) connectivity airtime for a period of three years and maintenance services for a period of two years by TON to PN.

The details of the Supply Agreement are as follows:-

- Purchase of 8,500 units of Sigfox Lighting Status Monitoring Devices (“**Equipment**”) for a consideration of THB13,187,750 (approximately HK\$3,391,889\*) (“**Equipment Consideration**”);
- Provision of connectivity airtime by TON to PN for three years from 1 February 2020 to 31 January 2023 for THB1,091,400 (approximately HK\$280,708\*) per year (“**Airtime Consideration**”). This subscription will generally allow for two messages uplink per day per device and one message downlink per week per device; and
- Provision of maintenance service for the Equipment for two years (after one year of warranty) from 1 February 2021 to 31 January 2023 for THB1,091,400 (approximately HK\$280,708\*) per year (“**Maintenance Consideration**”).

All of the above considerations are inclusive of VAT and shall be settled in cash.

## 2. CONSIDERATION

The Consideration was arrived at and determined after arm’s length negotiations between PN and TON.

The Equipment Consideration is similar to the cost of purchase of the Equipment by TON from its own suppliers. The Airtime Consideration is based on the same annual airtime subscription rates offered by TON to other independent third parties. The Maintenance Consideration is similar to the maintenance fees that PN had charged other clients for similar projects.

The Connected Transaction and the Continuing Connected Transactions are not expected to give rise to a material gain or loss to the Group’s financial results in 2019.

\* Based on exchange rate of THB1 to HK\$0.2572 and for illustrative purposes only.

### **3. REASON FOR AND BENEFITS OF THE SUPPLY AGREEMENT**

In August 2019, PN secured a project with a key customer where PN undertook to utilize the Sigfox IoT technology in its execution of this project in Thailand. As TON is currently the nationwide network operator of SigFox IoT technology in Thailand, PN has to work with TON for this project.

The Group had worked with this key customer on other projects since 2018. The Directors believe that through the working with the key customer on this project utilizing the Sigfox IoT technology, the Group can strengthen its relationship with this key customer.

The Board (including the independent non-executive Directors) has approved the Supply Agreement, and the Directors, including the independent non-executive Directors, are of the view that the Supply Agreement is fair and reasonable, the terms of which are on normal commercial terms, and is in the interests of the Company and the Shareholders as a whole.

Mr. Asvaplunghrohm, an executive Director and one of our Controlling Shareholder, is materially interested in the Supply Agreement, as he holds approximately 99.0% of TON. As such, Mr. Asvaplunghrohm has abstained from voting on the relevant Board resolution in respect of the Supply Agreement. Save for Mr. Asvaplunghrohm, none of the other Directors has any material interest in the Supply Agreement and was required to abstain from voting on the relevant Board resolution.

### **4. IMPLICATION UNDER THE MAIN BOARD LISTING RULES**

TON is a company registered under the laws of Thailand, which is owned as to approximately 99.0% by Mr. Prapan Asvaplunghrohm, an executive Director and one of our Controlling Shareholders. Hence, TON is an associate of Mr. Asvaplunghrohm and is therefore a connected person of our Group. As such, the transaction under the Supply Agreement for the supply of Equipment constitutes a connected transaction of the Company under the Listing Rules, and the transactions under the Supply Agreement for the supply of connectivity airtime for a period of three years and maintenance services for a period of two years constitute continuing connected transactions of the Company under the Listing Rules.

As more than one of the relevant percentage ratios under the Listing Rules in respect of the Connected Transaction and the Continuing Connected Transactions on an aggregate basis exceed 0.1% but less than 5%, the Connected Transaction and the Continuing Connected Transactions are therefore exempt from the independent Shareholders' approval requirements, and are only subject to the reporting, announcement, and in the case of the Continuing Connected Transactions only, annual review requirements, under Chapter 14A of the Listing Rules.

## 5. GENERAL INFORMATION OF THE PARTIES

### The Company

The Company is incorporated in the Cayman Islands as an exempted company with limited liability which Shares have been listed on the Main Board of the Stock Exchange since 16 July 2019. The Group mainly provides IT solutions to Thai financial institutions, government departments and agencies predominantly in administrative, telecommunications and utilities sectors.

### TON

TON is a company incorporated in Thailand, and as the current nationwide network operator of SigFox IoT technology in Thailand, primarily provides Sigfox related products and services to customers in Thailand.

## 6. DEFINITIONS

In this announcement, the following terms have the meanings set out below unless the context requires otherwise:

|                         |   |
|-------------------------|---|
| “associate”             | has the meaning ascribed thereto under the Listing Rules  |
| “Board”                 | the board of Directors  |
| “Company”               | Platt Nera International Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange |
| “connected person”      | has the meaning ascribed thereto under the Listing Rules  |
| “Connected Transaction” | the transaction for the purchase of certain equipment by PN from TON, the details of which are more particularly described in this announcement                               |
| “Consideration”         | aggregate total of the Equipment Consideration, Airtime Consideration and Maintenance Consideration, which is to be settled in cash   |

|                                     |  |
|-------------------------------------|--|
| “Continuing Connected Transactions” | the transactions for the supply of airtime connectivity and maintenance services by TON to PN, the details of which are more particularly described in this announcement   |
| “Controlling Shareholder”           | has the meaning ascribed thereto under the Listing Rules   |
| “Director(s)”                       | director(s) of the Company   |
| “Group”                             | the Company and its subsidiaries   |
| “IoT”                               | a type of network that realises intelligent identification, positioning, tracking, monitoring and management of targeted objects achieved by exchange of information and communication between such targets and the internet via intelligent terminal products under pre-determined protocol |
| “Listing Rules”                     | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “Mr. Asvaplungprohm”                | Mr. Prapan Asvaplungprohm  |
| “PN”                                | Platt Nera Co., Ltd, an indirect subsidiary of the Company   |
| “Share(s)”                          | ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company  |
| “Shareholder(s)”                    | holder(s) of Shares from time to time  |
| “Sigfox”                            | Sigfox Singapore Pte. Ltd., a company that builds wireless networks to connect low-power objects to develop IoT  |
| “Stock Exchange”                    | The Stock Exchange of Hong Kong Limited  |
| “subsidiary”                        | has the meaning ascribed thereto under the Listing Rules   |

|                    |   |
|--------------------|---|
| “Supply Agreement” | the agreement dated 8 November 2019 and entered into between PN and TON for the supply of (i) certain equipment; and (ii) airtime connectivity for a period of three years and maintenance services for a period of two years |
| “Thailand”         | the Kingdom of Thailand   |
| “THB”              | Thai baht, the lawful currency of Thailand  |
| “TON”              | Things On Net Co., Ltd., a company registered under the laws of Thailand, and a connected person of our Group   |
| “VAT”              | Value added tax in Thailand   |

By Order of the Board  
**Prapan Asvaplunghprohm**  
*Chairman and Executive Director*

Hong Kong, 8 November 2019

*As at the date of this announcement, the board of Directors of the Company comprises Mr. Prapan Asvaplunghprohm and Mr. Wison Archadechopon as executive Directors, and Mr. Tong Yee Ming, Mr. Cheung Pan and Mr. Julapong Vorasontharosoth as independent non-executive Directors.*