



October 5, 2020

(Translated from the Japanese original)

Company Name: TIS Inc.
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Stock Listing: First Section of the Tokyo Stock Exchange
Stock Code: 3626
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Notice regarding Results of Tender Offer for Shares of Thailand's MFEC Public Company Limited and Change to Subsidiary Status

As outlined in the press release “Notice regarding Acquisition of Stock to Turn Thailand's MFEC Public Company Limited into TIS Subsidiary,” dated March 6, 2020, and “Notice regarding Commencement of Tender Offer for Shares of Thailand's MFEC Public Company Limited,” dated July 21, 2020, TIS Inc. (hereafter, “TIS” and “the Company”) executed measures to acquire shares in MFEC Public Company Limited (hereafter, “MFEC”) through a tender offer (hereafter, “the Tender Offer”), in accordance with the securities exchange law and local laws of Thailand, to turn MFEC into a consolidated subsidiary. MFEC had previously been a TIS affiliate accounted for by the equity method. Effective September 30, 2020, requirements for closing the Tender Offer were met and the Tender Offer was closed. Details are provided below. Also, as a result of the Tender Offer, MFEC and its 10 subsidiaries—a total of 11 companies—became consolidated subsidiaries of TIS, effective October 5, 2020 (effective date for the share transfer of the Tender Offer).

Note that the Tender Offer does not fall under tender offers described in Article 27 Paragraph 2-1 of Japan's Financial Instruments and Exchange Law.

Also please note that this notice is made following today's completion of procedures required prior to official announcement, including confirmation and approval by the Securities and Exchange Commission of Thailand regarding details on the result of the Tender Offer.

Details

1. Overview of the Tender Offer

(1) Tender offeror	TIS Inc.
(2) Target company	MFEC Public Company Limited
(3) Tender offer period	From July 23, 2020 to September 30, 2020 Note: The last day of the tender offer period was supposed to be September 28, 2020, but the end date was extended due to the date falling at the start of a holiday in Thailand.
(4) Class of shares for tender offer	Common stock
(5) Tender offer price	5.0 Thai baht (¥16.95) per share of common stock Note: The tender offer price will be based on the company's stock price level and take various factors generally into account, including

	marketability of the stock (such as volume and pricing rate) and the performance forecast for MFEC.
(6) Capital required for tender offer	532 million Thai baht (¥1,803 million)
(7) Number of shares to be purchased	106,390,307 shares Note: If the total number of tendered shares is less than the number of shares (106,390,307) that TIS planned to purchase, all tendered shares will be purchased. If the total number of tendered shares exceeds the number of shares (106,390,307) that TIS planned to purchase, the Company will purchase neither the entire amount nor any partial amount of the excess shares, and the transfer of shares and other settlements of the sale and purchase of the tendered shares will be made using the proportional distribution method.
(8) Other	The Board of Directors at the target company, MFEC, have expressed agreement to the tender offer. In addition, the agenda item on the Tender Offer was approved by shareholders at the company's ordinary general meeting of shareholders on April 27, 2020.

- Notes: 1. Details regarding conditions for this tender offer will be announced in Thailand, in accordance with Thai laws and rules set by the Stock Exchange of Thailand.
2. Converted at a rate of 1 Thai baht = ¥3.39, the rate prevailing at the end of August 2020.

2. Results of the Tender Offer

Because the total number of shares tendered (112,012,525) exceeded the anticipated maximum number of shares to be purchased (106,390,307), TIS purchased none of the excess, not in part or in full. Rather, TIS conducts a transfer of shares or other settlement procedures in respect of a tender offer for shares through proportional distribution. The effective date for such share transfer or other settlement procedures is today, October 5, 2020.

At the time the Tender Offer closed, MFEC's foreign shareholder ratio, including the equity stake held by TIS, exceeded the 49% maximum stipulated in the company's Articles of Incorporation, which reflect restrictions on foreign investment under the laws of Thailand. Therefore, TIS transferred MFEC shares equivalent to the portion exceeding the stated maximum to TISI (Thailand) Co., Ltd., a consolidated TIS subsidiary in Thailand, using a method that conforms to Thai law and the rules of the Stock Exchange of Thailand.

3. Number of Shares Acquired, Acquisition Price and Shareholding Status Before and After Acquisition

(1) Shareholding prior to change	109,921,999 shares (Number of voting rights: 109,921,999) (Percentage of voting rights: 24.90%)
(2) Number of shares acquired	106,390,200 shares (Number of voting rights: 106,390,200)
(3) Acquisition price	532 million Thai baht (¥1,803 million)
(4) Shareholding after change	216,312,306 shares (Number of voting rights: 216,312,199) (Percentage of voting rights: 49.00%)

Note: Converted at a rate of 1 Thai baht = ¥3.39, the rate prevailing at the end of August 2020

4. Overview of Company (MFEC Public Company Limited) to Be Transferred

(1) Name	MFEC Public Company Limited		
(2) Address	699 Modernform Tower, Srinakarind Road, Patthanakan Suan Luang, Bangkok, Thailand		
(3) Representative	Siriwat Vongjarukorn, Chief Executive Officer		
(4) Business activities	IT services, system integration		
(5) Paid-in capital	441 million Thai baht (¥1,497 million)		
(6) Date of establishment	March 3, 1997		
(7) Listed stock exchange	Stock Exchange of Thailand		
(8) Major shareholders and shareholding ratios (As of May 5, 2020)	TIS Inc.		24.90%
	Kongboonma Family		3.94%
	Siriwat Vongjarukorn		3.74%
	Sirisak Thirawattanangkul		2.93%
	Prasert Foongvanich		2.49%
	Modernform Group PCL		1.86%
(9) Relationships with TIS (Before closing the Tender Offer)	Capital relationship	TIS holds 24.90% equity in MFEC, making it an affiliate accounted for by the equity method.	
	Personnel relationship	One executive officer from TIS holds a position of director (vice-chairman) at MFEC.	
	Business relationship	TIS and MFEC are party to business-related transactions, based on a business alliance agreement.	
	Related party status	MFEC is an affiliate of TIS accounted for by the equity method.	
(10) Consolidated performance and financial position for the past three years			
Fiscal year	Fiscal year ended December 31, 2017	Fiscal year ended December 31, 2018	Fiscal year ended December 31, 2019
Net assets (millions of Thai baht)	1,987 (6,735 million yen)	1,731 (5,868 million yen)	1,857 (6,295 million yen)
Total assets (millions of Thai baht)	3,369 (11,420 million yen)	3,330 (11,288 million yen)	3,670 (12,441 million yen)
Net assets per share (Thai baht)	4.50 (15.25 yen)	3.92 (13.29 yen)	4.20 (14.25 yen)
Net sales (millions of Thai baht)	2,961 (10,037 million yen)	3,339 (11,319 million yen)	3,688 (12,502 million yen)
Operating income (millions of Thai baht)	142 (481 million yen)	74 (250 million yen)	241 (816 million yen)
Recurring profit (millions of Thai baht)	194 (657 million yen)	124 (420 million yen)	278 (942 million yen)
Net income (loss) attributable to owners of the parent company (millions of Thai baht)	153 (518 million yen)	(166) (-562 million yen)	225 (762 million yen)
Net income (loss) per share (Thai baht)	0.34 (1.15 yen)	(0.37) (-1.25 yen)	0.50 (1.69 yen)
Dividend per share (Thai baht)	0.25 (0.84 yen)	0.20 (0.67 yen)	0.35 (1.18 yen)

Note: Converted at a rate of 1 Thai baht = ¥3.39, the rate prevailing at the end of August 2020

5. Outlook

As a result of the Tender Offer, MFEC and its 10 subsidiaries—a total of 11 companies—became consolidated subsidiaries of TIS on October 5, 2020, in accordance with control criteria. The plan is then to include MFEC’s consolidated business results in the consolidated business results of TIS from the fourth quarter of fiscal 2021, ending March 31, 2021, which will have only a minor impact on fiscal 2021 performance. For this reason, no revision will be made to the consolidated performance forecast for fiscal 2021 announced on May 12, 2020.

(Reference) Forecast for Fiscal 2021 (announced May 12, 2020), and Fiscal 2020 Results on Consolidated Basis

	Net Sales	Operating Income	Recurring Profit	Net income attributable to owners of the parent company
	Million	Million	Million	Million
Current fiscal year, ending March 31, 2021 (forecast)	¥440,000	¥44,000	¥44,000	¥29,500
Previous fiscal year, ended March 31, 2020 (actual)	¥443,717	¥44,839	¥46,070	¥29,411

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