



No. DOD 006/2019

March 20, 2019

Re: Notification of the Resolutions on the Acquisition of Land and Establishment of Subsidiary

To: The President
The Stock Exchange of Thailand

Attachment 1. Information Memorandum of the Acquisition of Assets of DOD Biotech Public Company Limited regarding the Acquisition of Land and Establishment of Subsidiary, which is Class 2 Transaction (Schedule 1)

DOD Biotech Public Company Limited (the “ Company” or “ DOD”) hereby notifies the significant resolutions passed by the Meeting of the Board of Directors No. 3/2019, held on March 20, 2019, to the Stock Exchange of Thailand (the “SET”), as follows:

1. Approved the purchase of vacant land of 24 – 2 – 24.6 rai, which is the plot of land adjacent to the Company's current plot of land, totaling Baht 85.97 million or equivalent to Baht 3.5 million per rai from Mrs. Nisachon Shu, who is not being a connected person of the Company according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 (2008) Re: Rules on Connected Transactions, dated August 31, 2008 (and as amended) and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions, B. E. 2546 (2003) , dated November 19, 2003 (and as amended) (“ Notification on Connected Transactions”) and the Company expects the purchase transaction of the land to be completed by March 2019.

2. Approved the establishment of a new Subsidiary with a registered capital of Baht 0.50 million. DOD holds 51% of shares to engage in the food supplement distribution business, which is a joint investment with Mr. Akranan Kankittinant (a third person), who is an expert in a major food supplement distribution business in Thailand and such person is not being a connected person of the Company according to the Notification on Connected Transactions. Whereas the establishment of the Subsidiary is completed, the company will announce the news via the Stock Exchange of Thailand.

The above-mentioned land purchase transaction and the establishment of the Subsidiary is considered an acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (and as amended) 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 and Disposition of Assets, B.E. 2547 (2004), dated October 29, 2004 (and as amended) (“Notification on the Acquisition and Disposition of Assets”). When considering the calculation of the transaction size according to the total value of consideration criteria compared with the total assets of the Company and the Subsidiary according to the consolidated financial statements of the Company for the year end on December 31, 2018, which was already audited, it found that the value is equal to 6.13 per cent and in the past six months, when including the acquisition of assets of the Company, the highest value of the transaction equals to 39.50 per cent in accordance with the criteria on total value of consideration. Moreover, when including the transactions that have not yet been circulated to shareholders, it equals to 18.44 per cent, of which the transaction size is 15 per cent or higher, but lower than 50 per cent. The land purchase transaction is considered as Class 2 Transaction according to the Notification on the Acquisition and Disposition of Assets.

Therefore, the Company is obliged to immediately report and disclose the transaction to the SET with the Information Memorandum at least according to the Schedule (1) annexed to the Notification on the Acquisition and Disposition of Assets, as well as the requirement to send a notice to its shareholders within 21 days from the date of disclosure of information to the SET with the Information Memorandum at least according to the Schedule (2) 1, 2, 3, 5(3), 7 and 8 annexed to the Notification on the Acquisition and Disposition of Assets.

In this regard, the Meeting of the Board of Directors has authorized the Executive Committee of the Company or the Chief Executive Officer, or the person assigned by the Chief Executive Officer to determine, prescribe, modify, and amend the rules, conditions and other details that are necessary and appropriate in connection with the land purchase transaction and establishment of Subsidiary, as necessary and appropriate under relevant laws. This includes the signing, certification, amendment of all contracts and other documents related to such transaction.



บริษัท ดีโอดี ไบโอเทค จำกัด(มหาชน)

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The details of the land purchase transaction and establishment of Subsidiary are as set out in the Information Memorandum of the Acquisition of Assets of DOD Biotech Public Company Limited regarding the Acquisition of Land and Establishment of Subsidiary, which is Class 2 Transaction (Schedule 1) (Attachment 1).

Please be informed accordingly.

Sincerely yours,

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(Miss Suwarin Konthong)

Deputy Managing Director of Accounting and Finance

Authorized Person to Report Information

Information Memorandum of the Acquisition of Assets of DOD Biotech Public Company Limited (“Company” or “DOD”) regarding the Acquisition of Land and Establishment of Subsidiary, which is Class 2 Transaction (Schedule 1)

1. Date of the Transaction

The Meeting of the Board of Directors No. 3/2019, held on March 20, 2019, approved the significant resolutions and in the scope of acquiring assets as follows:

- The purchase of vacant land of 24 – 2 – 24.6 rai, which is the plot of land adjacent to the Company's current plot of land, totaling Baht 85.97 million or equivalent to Baht 3.5 million per rai and the Company expects the purchase transaction of the land to be completed by March 2019.
- The establishment of a new Subsidiary with a registered capital of Baht 0.50 million. DOD holds 51% of shares to engage in the food supplement distribution business, which is a joint investment with Mr. Akranan Kankittinant (a third person), who is an expert in a major food supplement distribution business in Thailand and such person is not being a connected person of the Company according to the Notification on Connected Transactions. Whereas the establishment of the Subsidiary is completed, the company will announce the news via the Stock Exchange of Thailand.

2. Related Parties and the Relationship with the Listed Company

- Vacant Land

Buyer : DOD Biotech Public Company Limited

Seller : Mrs. Nisachon Shu

- Establishment of Subsidiary with Registered Capital of Baht 0.50 Million

Name of Shareholders	Shareholding Proportion
1. DOD Biotech Public Company Limited	51%
2. Mr. Akranan Kankittinant	49%

Both Mrs. Nisachon Shu and Mr. Akranan Kankittinant are not being connected persons of the Company according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 (2008) Re: Rules on Connected Transactions, dated August 31, 2008 (and as amended) and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the Connected Transactions, B.E. 2546 (2003), dated November 19, 2003 (and as amended) (“Notification on Connected Transactions”)

3. General Characteristics of the Transaction

Vacant Land

The Company will purchase a land, (which is the plot of land adjacent to the Company’s current plot of land), at the total value of Baht 85.97 million, the Land Title Deed Nos. 138496 and 140052, totaling of 24-2-24.6 rai at Tha Chin Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province. The Company will purchase the land in cash and on the date of transfer, such land must be discharged from any obligation.

The established Subsidiary is with a registered capital of Baht 0.50 million. DOD holds 51% of shares to engage in the food supplement distribution business, which is a joint investment with Mr. Akranan Kankittinant (a third person) , who is an expert in a major food supplement distribution business in Thailand. Whereas the establishment of the Subsidiary is completed, the company will announce the news via the Stock Exchange of Thailand.

The above-mentioned land purchase transaction and the establishment of the Subsidiary is considered an acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (and as amended) 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 and Disposition of Assets, B.E. 2547 (2004), dated October 29, 2004 (and as amended) (“Notification on the Acquisition and Disposition of Assets”). When considering the calculation of the transaction size according to the total value of consideration criteria compared with the total assets of the Company and the Subsidiary according to the consolidated financial statements of

the Company for the year end on December 31, 2018, which was already audited, it found that the value is equal to 6.13 per cent and in the past six months, when including the acquisition of assets of the Company, the highest value of the transaction equals to 39.50 per cent in accordance with the criteria on total value of consideration. Moreover, when including the transactions that have not yet been circulated to shareholders, it equals to 18.44 per cent, of which the transaction size is 15 per cent or higher, but lower than 50 per cent. The land purchase transaction is considered as Class 2 Transaction according to the Notification on the Acquisition and Disposition of Assets.

The calculation of the size of the transaction of the land purchase transaction and the establishment of the Subsidiary), the details of which are as follows:

Criteria	Calculation Formula	Transaction Size
1. Criteria on net tangible assets	Cannot be calculated because it is a land purchase and a subsidiary establishment	N/A
2. Criteria on net profit from operation	Cannot be calculated because it is a land purchase and a subsidiary establishment	N/A
3. Criteria on total value of consideration	$\frac{\text{Total value of the consideration paid}}{\text{Total assets of the listed company}} * 100$ $= \frac{85,965,250 + 255,000}{\text{Baht } 1,406,643,144} * 100$	6.13%
4. Criteria on total value of capital shares	Cannot be calculated because the Company has not issued new ordinary shares to pay for assets	N/A

When including the acquisition of assets in the past six months with the highest value of the transaction equals to 39.50 per cent in accordance with the criteria on total value of consideration. Moreover, when including the transactions that have not yet been circulated to shareholders, it equals to 18.44 per cent, of which the transaction size is 15 per cent or higher, but lower than 50 per cent. The land

purchase transaction is considered as Class 2 Transaction according to the Notification on the Acquisition and Disposition of Assets.

Calculation of the transaction size in the past six months	Criteria on total value of consideration
1) Transactions not yet been circulated to shareholders	12.31%
2) Transactions already been circulated to shareholders	21.06%
3) Transactions of land acquisition and establishment of subsidiary	6.13%
Total	39.50%

Therefore, the Company is obliged to immediately report and disclose the transaction to the SET with the Information Memorandum at least according to the Schedule (1) annexed to the Notification on the Acquisition and Disposition of Assets, as well as the requirement to send a notice to its shareholders within 21 days from the date of disclosure of information to the SET with the Information Memorandum at least according to the Schedule (2) 1, 2, 3, 5(3), 7 and 8 annexed to the Notification on the Acquisition and Disposition of Assets.

4. Details of the Purchased Assets

- Vacant Land: The Company will purchase a land, (which is the plot of land adjacent to the Company’s current plot of land), the Land Title Deed Nos. 138496 and 140052, totaling of 24-2-24.6 rai at Tha Chin Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province. The Company will purchase the land in cash and on the date of transfer, such land must be discharged from any obligation.
- The established Subsidiary with a registered capital of Baht 0.50 million is a joint investment with Mr. Akranan Kankittinant (a third person), who is an expert in a major food supplement distribution business in Thailand and such person is not being a connected person of the Company

according to the Notification on Connected Transactions. Whereas the establishment of Subsidiary is completed, the company will announce the news via the Stock Exchange of Thailand.

5. Total Value of Consideration

- Vacant Land: The Company will purchase a land, (which is the plot of land adjacent to the Company's current plot of land), at the total value of Baht 85.97 million, the Land Title Deed Nos. 138496 and 140052, totaling of 24-2-24.6 rai at Tha Chin Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province. It will be purchased in cash.
- Established the subsidiary, where the investment value in proportion to the shareholding is calculated, the Company will invest in a total of Baht 0.225 million. Whereas the establishment of Subsidiary is completed, the company will announce the news via the Stock Exchange of Thailand.

6. Value of Purchased Assets

- Vacant land with a purchase price of Baht 85.97 million or Baht 3.5 million per rai
- Establishment of the Subsidiary with an investment of the Company of Baht 0.225 million

7. Criteria to Determine the Value of Consideration

- Vacant land at the price from negotiation and a mutual agreement between the parties and the price announced for sale in the vicinity. In addition, the cost of the Company's current land plot, which was acquired during 2015 to 2016, was at an average price of Baht 3.07 million per rai
- Establishment of 1 new subsidiary with the shareholding ratio upon an agreement between the parties.

8. Expected Benefits to the Listed Company from the Results of Transactions

Vacant Land

1. In the future, the Company would like to use the vacant plot of the land for the expansion of production capacity and/or adding new food supplements and/or any other future projects, which the Company is in need of expanding the production area and the purchase of machinery supporting the production of new types of products, such as ready-to-drink food supplements, medical food products, etc.
2. In the future, if the acquisition of the land plots adjacent to the current plot of the Company has been implemented as per the above objective, the management of production area (production plant) on the adjacent land plots will be efficient and the management will be more flexible than the case that the Company has production plants on separate lands.

The above future project is still uncertain and, in the event that the Company has acquired the assets, it will comply with the Notification on the Acquisition and Disposition of Assets.

- ### The purpose of the establishment of the subsidiary is to distribute food supplements by DOD by negotiating with a joint investor, who is an expert in a major food supplement distribution business in Thailand, in order to carry out the products already been sold by that person to enter into the operation of the newly established Subsidiary, where DOD will support the production. It will be considered a cooperation to expand distribution channels for DOD.

9. Sources of Fund

- Vacant Land: loans from financial institutions and cash flow of the Company
- Subsidiary Establishment: cash flow of the Company

10. The Opinion of the Board of Directors Regarding the Transaction

The Meeting of the Board of Directors approved this transaction with the consideration that in the future, if the acquisition of the land plots adjacent to the current plot of the Company has been acquired, the management of production area (production plant) on the adjacent land plots will be efficient and the management will be more flexible than the case that the Company has production plants on separate lands. In addition, the establishment of a new Subsidiary to engage in the distribution of food supplement products will help expanding the distribution channels for the Company.

11. The Opinion of the Audit Committee and/or the Directors of the Company which Differs from the Opinion of the Board of Directors of the Company

-N/A-
