

No. ED-MD19-010

- Translation -

June 11, 2019

Subject: Notification the Acquisition of share of BS Myco Biotech Company Limited. (Additional Information Memorandum Concerning the Acquisition of Assets)

To: Director and Manager
The Stock Exchange of Thailand

Eureka Design Public Company Limited (the “Company”) would like to inform the resolutions of the Board of Director’s meeting No. 3/2019 held on 11 June 2019 to enter into transaction to invest in the common stock of BS Myco Biotech Company Limited that operate in the Biopharmaceutical products with purchase from Bangjak Green Energy Company Limited total 399,990 shares or 85.65% of paid up capital, Total investment 50 Millions baht. The acquisition of BS Myco Biotech shares will result in the BS Myco Biotech being a subsidiary of the Company.

The Company signed the share purchase agreement and/or relevant agreements and complete the transfer of BS Myco Biotech shares on June 12, 2019.

This Acquisition is considered as the assets acquisition transaction of listed company and/or subsidiary company pursuant to the Notification of Capital Market Supervisory Board Ref. No. TorJor. 20/2551 Subject : Rules for entering into Material Transaction Deemed as Acquisition or Disposal of Assets. From calculation the transaction found that size of transaction according to Net Tangible Assets Basis is highest equivalent to 15.89%, which the scope of transaction type 2. The Company does not have any asset acquisition transaction from its operation in the past 6 months. The company is obliged to provide a report and disclose the information memorandum with respect to the entering into of such transection to the Stock Exchange of Thailand within 21 day. Subject : Information Disclosure and Execution of Listed Company due to Acquisition or Disposal of Assets B.E.2547 “Notification on information Disclosure and Execution due to Acquisition or Disposal of Assets”.

However, the Company had conducted due diligence of BS Myco Biotech Company Limited since last May 2019 and The Board of Directors of the Company No. 3/2019 held on June 11, 2019 to invest in shares of such companies, has approved the acquisition transaction, which the company will sign the share purchase agreement on

June 12, 2019. Details of such items appear in Attachment 1: Information Memorandum Concerning the Acquisition of Assets

Please be informed accordingly.

Yours sincerely,

Mr.Lissapat Kraikuran

Director

Mrs.Thiyanan Deeprasitpanya

Company Secretary : thiyanan@eurekadesign.co.th

Tel : 02 192 3737 Ext 204

Information Memorandum Concerning the Acquisition of Assets

Eureka Design Public Company Limited

1. Date / Month / Year of the Transaction

- May 2019 Process of conducting due diligence
- June 11, 2019 The Board of Directors has approved the acquisition transaction
- June 12, 2019 The Company will sign the share purchase agreement and/or relevant agreements

2. Relevant Parties with the Company

The share purchase agreement of BS Myco Biotech Company Limited	
1) Buyer	Eureka Design Public Company Limited
2) Seller	<p>Bangjak Green Energy Company Limited</p> <p><u>List of Shareholders as of May 17,2019.</u></p> <p>1.Mr.Boontham Soosongkram 99.999975% of paid-up capital shares</p> <p>2.Ms.Yupaporn Jandai 0.0000125% of paid-up capital shares</p> <p>3.Ms.Nahathai Soosongkram 0.0000125% of paid-up capital shares</p> <p><u>List of Director as of May 17,2019.</u></p> <p>1.Mr.Boontham Soosongkram</p> <p>Both parties have no relationship and not related persons of the Company. Therefore, the transaction does not constitute transaction under the Notification of the Capital Market Supervisory Board no. TorChor. 21/2551 Re : Rules on Connected Transaction, dated 31 August 2008 (including any amendment thereto), 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 Connected Transaction B.E.2546 (2003), dated 19 November 2003 (including any amendment thereto)</p>

3) Details of the assets acquired	Ordinary shares of 399,990 shares or 85.65% of paid-up capital shares. Following this transaction, the Company has acquired a business which operate in the Biopharmaceutical products.
4) the purchase price	Total amount of Baht 50 million

3. General characteristics of the transaction size and the transaction details of the assets.

3.1 Transaction Details

The Company purchases shares of the BS Myco Biotech Company Limited which is a company that operate in the Biopharmaceutical products in amount 399,990 shares or 85.65% of paid-up capital shares and paid consideration to the sellers in the total amount of Baht 50 million. The acquisition of BS Myco Biotech shares will result in the BS Myco Biotech being a subsidiary of the Company.

Shareholder name			
Before Acquisition		After Acquisition	
1. Bangjak Green Energy Company Limited	399,990 shares (85.65%)	1.Eureka Design Public Company Limited	399,990 shares (85.65%)
2. Ms.Yupaporn Jandai	5 shares (0.00001%)	2.Mr.Lissapat Kraikruan	5 shares (0.00001%)
3. Ms.Nahathai Soosongkram	5 shares (0.00001%)	3.Mr.Kitipong Rojsakthavorn	5 shares (0.00001%)
4. Mr.Parot Teeraboot	67,000 shares (14.35%)	4. Mr.Parot Teeraboot	67,000 shares (14.35%)
Total share	467,000 shares (100.00%)	Total share	467,000 shares (100.00%)

Board of Director	
Before Acquisition	After Acquisition
1. Mr.Boontham Soosongkram	1.Mr.Lissapat Kraikruan
	2.Miss Nitchakan Chanthanasirikul
	3.Mr.Ulit Jaturasangpairoj

3.2 Calculation of the Transaction Size

The details calculations of the transaction size according to the based on the review report and interim consolidated financial statements of Eureka Design Public Company Limited for the three months period ended March 31, 2019. And The Audited financial statement of BS Myco Biotech Company Limited for year ended December 31,2018.

The calculation of transaction size

(1) Book Value of net tangible assets method (NTA)

$$\begin{aligned}
 \text{Transaction size} &= \frac{\text{NTA of investment in the Company} \times \text{The acquired proportion} \times 100}{\text{NTA of the Company}} \\
 &= \frac{(35.55 \times 85.65\%) \times 100}{191.61} \\
 &= 15.89\%
 \end{aligned}$$

(2) Net Profit from Core Business after tax

$$\begin{aligned}
 \text{Transaction size} &= \frac{\text{Net Profit from the acquiring assets} \times 100}{\text{Total net profit of the Company}} \\
 &= \frac{(0.00309758 \times 85.65\%) \times 100}{125.89} \\
 &= 0.00211\%
 \end{aligned}$$

(3) Value of Consideration

$$\begin{aligned}
 \text{Transaction size} &= \frac{\text{Total investment cost} \times 100\%}{\text{Total assets of the Company}} \\
 &= \frac{(50 \times 100)}{455.64} \\
 &= 10.97\%
 \end{aligned}$$

(4) Value of securities a listed company issues to pay for asset acquisition

$$\text{Transaction size} = \frac{\text{Number of shares issued by the Company to pay for the assets} \times 100\%}{\text{Number of issued and paid-up shares of the Company}}$$

Cannot be calculated because the Company does not issue new shares.

From the above calculation, the maximum transaction is 15.89%, calculated by the net tangible assets method, according to the based on the review report and interim consolidated financial statements for the three months period ended March 31, 2019. The Company did not enter into any acquisition transaction during the past six months. which the scope of transaction type 2. Therefore, the Company must disclosure to the Stock Exchange of Thailand within 21 day. Subject : Information Disclosure and Execution of Listed Company due to Acquisition or Disposal of Assets B.E.2547 “Notification on information Disclosure and Execution due to Acquisition or Disposal of Assets”.

3.3 The reason of the acquisition

This transaction will enable the company to acquire 85.65% of ordinary shares and will be expanding the opportunity to generate the revenue in new business. The company has considerate to the opportunity in business and was found that the Biopharmaceutical products to eliminate the water hyacinth is the new innovation products that has not yet the competitor. And has been researching and good testing.

4. Details of acquired assets

Details of the BS Myco Biotech Company Limited as follows:

4.1 General information

Established Date	January 20,2015
Company Name	BS Myco Biotech Company Limited
Company registration no.	0105558010851
Type of business	Biopharmaceutical products to eliminate the water hyacinth
Head Office	46/3 Soi Sukapibal 5 , Soi 57, Au-ngern, Saimai, Bangkok
Registered capital	Baht 46,700,000
Paid-up capital	Baht 46,700,000
Number of ordinary shares	467,000 shares
Number of preferred shares	-None-
Par value per share	Baht 100 per share

4.1 Financial information (3 Years)

	Audited Financial Statement		
	2016	2017	2018
Statement of financial position			
Current assets			
Cash and cash equivalents	34,000.00	163,221.19	460,465.68
Accrued interest	20,203.77	-	-
Short-term loans to related parties	950,000.00	10,550,000.00	-
Inventories	-	2,569,715.13	14,815,521.18
Other current assets	-	154,675.08	4,021,007.07
Total current assets	1,004,203.77	13,437,611.40	19,296,993.93
Non-current asset			
Property, plant and equipment	-	-	60,014,734.12
Other intangible assets	-	-	2,765,753.50
Total Non-current assets	-	-	62,780,487.62
Total assets	1,004,203.77	13,437,611.40	82,077,481.55
Liabilities and equity			
Current liabilities			
Bank overdrafts and short-term loans from financial institutions	-	-	98,842.31
Trade accounts payable and other payable	15,000.00	-	43,200,569.02
Other current liabilities	-	4,372,928.89	460,290.13
Total current liabilities	15,000.00	4,372,928.89	43,759,701.46
Total liabilities	15,000.00	4,372,928.89	43,759,701.46
Equity			
Share capital			
Authorized share capital			
Common 10,000 shares, par 100 baht		40,000,000.00	40,000,000.00
Issued and paid-up share capital			
Common 10,000 shares, par 100 baht	1,000,000.00	1,000,000.00	

	Audited Financial Statement		
	2016	2017	2018
Common 390,000 shares, par 100 baht		9,750,000.00	
Common 400,000 shares, par 100 baht			40,000,000.00
Deficit	(10,796.23)	(1,685,317.49)	(1,682,219.91)
Total equity	989,203.77	9,064,682.51	38,317,780.09
Total liabilities and equity	1,004,203.77	13,347,611.40	82,077,481.55
Statement of income			
Income			
Interest income	-	668.51	290,182.67
Total income	-	668.51	290,182.67
Expenses			
Administrative expenses	15,000.00	1,675,189.77	287,085.09
Total Expenses	15,000.00	1,675,189.77	287,085.09
Profit (Loss) before income tax	(15,000.00)	(1,674,521.26)	3,097.58
Income tax	-	-	-
Net Profit (Loss)	(15,000.00)	(1,674,521.26)	3,097.58

5. Value of Consideration

5.1 Total value of Consideration

The total consideration value for the acquisition of 399,990 fully paid ordinary shares in BS Myco Biotech Company Limited from the Sellers is at Baht 50 million after this transaction will result in the BS Myco Biotech being a subsidiary of the Company.

5.2 Payment

The Company paid the total consideration of Baht 50 million within July 2019.

6. Value of Acquired Assets

Baht 50 million

7. Basis for determination of value of reward

According to the share price agreed between the Company (“Buyer”) and the Seller, by purchase to purchase shares of the BS Myco Biotech Company Limited at the price of 50 million. The price and terms of negotiation between the Company and the Seller will consider with the value of the return on investment in with this method of estimating the income and profit and loss of the project until the end of the project with the rate of return on investment by 28%, Which is a standard method commonly used in investment decisions.

8. Sources of Financing

Working capital of Eureka Design Public Company Limited, at this time does not incur any material negative effect to the Company’s shareholders.

9. Opinion of the Board of Directors Regarding the Transaction

The Board of Directors has considered and viewed that the transaction is reasonable and most beneficial to the Company and its shareholders. Due to the biopharmaceuticals products for eliminate the water hyacinth are the new innovative products that has passed the researched and testing until find that can be eliminate the water hyacinth in effective. And this products is the organic that not negative effect on the ecosystem and aquatic animal. Therefore is ready to run production line for commercial. BS Myco Biotech company limited is the first manufacturer to produce this potential product for expanding the revenue to the company in the future.

10. Opinion of the Audit Committee and/or the Directors which are different from the opinion of the Board according to item 9

Audit Committee and/or the all Directors have agreed with the opinion from the Board of Directors and there is no viewed different in opinion as set out in item 9