

18 November, 2016

Subject Notification of Acquisition of 100% Equity Shares of Bio-Life Marketing Sdn. Bhd. by Mega Lifesciences Public Company Limited

Attention: The President
The Stock Exchange of Thailand

Enclosure: Information Memorandum on the Acquisition of 100% Equity Shares of Bio-Life Marketing Sdn. Bhd. by Mega Lifesciences Public Company Limited

The Board of Directors' meeting number 05/2016 of Mega Lifesciences Public Company Limited (the "Company") convened on September 15, 2016 had passed the following resolution to authorize the Management and accordingly the Company wishes to announce signing of Agreement for Purchase (hereinafter the "Transaction") of 100% equity shares of Bio-Life Marketing Sdn. Bhd., Malaysia, comprising of one million five hundred thousand ordinary/ equity shares with a par value of Ringgit Malaysia 1 each, from DKSH Resources (Malaysia) Sdn. Bhd., Malaysia (referred to as 'Sellers') in order to grow and consolidate the Company's business in Malaysia. In this regard, the Sellers are not a connected person of the Company. The entering of the transactions considered as a type 2 asset acquisition transaction, namely, a transaction with the value equivalent to 15 percent or higher but lower than 50 percent in accordance with the Notification of the Capital Market Subsidiary Board No. Tor. Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and 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). Consequently the Company is required to disclose the Information Memorandum on the entering into of the transaction to the Stock Exchange of Thailand and deliver the circular to shareholders within 21 days from the date on which the Information Memorandum is disclosed to the Stock Exchange of Thailand.

The details of the Information Memorandum on the Asset Acquisition of the Company are set out in the Enclosure.

Please be informed accordingly.

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Information Memorandum on the Acquisition of 100% Equity Shares of Bio-Life Marketing Sdn. Bhd. by Mega Lifesciences Public Company Limited

Reference is made to the Board of Directors meeting number 05/2016 of Mega Lifesciences Public Company Limited (the “Company”) convened on September 15, 2016 which had passed the following resolution to authorize the Management and accordingly the Company wishes to announce signing of Agreement for Purchase of 100% equity shares of Bio-Life Marketing Sdn. Bhd., Malaysia, comprising of one million five hundred thousand ordinary/ equity shares with a par value of Ringgit Malaysia 1 each, from DKSH Resources (Malaysia) Sdn. Bhd., Malaysia (referred to as ‘Sellers’) in order to grow and consolidate the Company’s business in Malaysia. In this regard, the Sellers are not a connected person of the Company. The entering of the transactions considered as a type 2 asset acquisition transaction, namely, a transaction with the value equivalent to 15 percent or higher but lower than 50 percent in accordance with the Notification of the Capital Market Subsidiary Board No. Tor. Chor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and 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). Consequently, the Company is required to disclose the Information Memorandum on entering into the transaction to the Stock Exchange of Thailand and deliver the circular to shareholders within 21 days from the date on which the Information Memorandum is disclosed to the Stock Exchange of Thailand.

The details of the Transaction are as follows;

1. Date of Transaction

The Company entered the Share Sale Agreement (hereinafter the “Agreement”) on November 18, 2016 as per the approval by the Board of Directors for the Transaction. Accordingly, the Company acquired One Million Five Hundred Thousand (1,500,000) ordinary/ equity shares with a par value of Ringgit Malaysian 1 each representing 100% equity shareholding of Bio-Life Marketing Sdn. Bhd. from DKSH Resources (Malaysia) Sdn. Bhd. The Company is expecting to complete the transaction on November 30, 2016 (or such revised date as the parties may agree) as per the terms and conditions of the Share Sale Agreement.

2. Parties involved and relationship

Buyer: Mega Lifesciences Public Company Limited or its designated subsidiary.

Seller: DKSH Resources (Malaysia) Sdn. Bhd.

Relationship: The Seller is not a connected person of the Company.

3. General Characteristics of the Transaction, category of the Transaction and size of the Transaction.

3.1 General Characteristics

The Company entered into the Share Sale Agreement with the Seller on 18th November, 2016 to establish the terms and conditions of the deal including transfer of ownership of 100% ordinary/ equity shares of Bio-Life Marketing Sdn. Bhd.

3.2 Transaction Type and Value

The consideration for the purchase of 100% equity/ ordinary shares as per the Share Sale Agreement will total to Ringgit Malaysian Seventy Five Million (75,000,000) or Thai baht 605 million (using an exchange rate of Thai Baht 8.07/ Malaysian Ringgit 1) which constitutes an asset acquisition transaction in accordance with the Notifications on Acquisition or Disposals Transactions. The transaction value is equivalent to 8.1 percent calculated by using the total value of the consideration based on the Company's consolidated statement of its financial position for the nine months ending September 30, 2016. The details of the calculation of the Transaction value are set out as follows:

Calculation for the Size of the Transaction

Unit: Million Baht

| Financial Data | Mega | Bio-Life |
|---------------------------------------|-------|----------|
| Total Assets | 7,472 | 254 |
| Deducted by Intangible Assets | 44 | - |
| Deducted by Total Liabilities | 3,076 | 73 |
| Deducted by Non-Controlling Interests | 0 | - |
| Net Tangible Assets (NTA) | 4,353 | 181 |

| | | |
|--|-----|-----|
| Past 12-month Profit belonging to the Company's shareholders | 696 | 36 |
| Project Value (assuming bank buying rate of Thai Baht 8.07/ Ringgit Malaysian 1) | | 605 |

Remark: (1) Financial data for Mega as depicted above are obtained from the Mega Lifesciences Public Company Limited reviewed 9-month financial statements ended 30 September 2016 and 12 Months audited financial statement ended 31 December 2015.

(2) Financial data for Bio-Life as depicted above are obtained from the Bio-Life Marketing Sdn. Bhd. audited 12-month financial statements ended 31 December 2015

The size of this transaction, in accordance with the Notification of the Stock Exchange Commission of Thailand regarding Disclosure of Information and Actions of a Listed Company on Acquisition or Disposition of Assets 2004, is calculated as shown in the following table:

| Calculation Criteria | Transaction Size |
|---------------------------------------|------------------|
| 1. Net Tangible Assets (NTA) Criteria | 4.2% |
| 2. Net Profit Criteria | 5.2% |
| 3. Total Consideration Criteria | 8.1% |
| 4. Share Swap Criteria | N.A. |

In this regard, during the period of past six (06) months, the Company has acquired assets for the total value of approximately Baht 593.4 million equivalent to the transaction size of 8.1% on September 16, 2016 based on financial statements of Mega Lifesciences Public Company Limited for the six months ended June 30, 2016. After accumulating this transaction, with the transaction to acquire the shares in Bio-Life Marketing Resources Sdn. Bhd., the total transaction value will be equivalent to 16.2 percent.

As a result, the transaction is considered as a Type-2 asset acquisition transaction, namely a transaction with the value equivalent to 15 percent or higher but lower than 50 percent under the Notifications on Acquisition or Disposal Transactions rules. Consequently, the Company is required to disclose the Information Memorandum on the entering into of the transaction to the Stock Exchange of Thailand and deliver the circular to the shareholders within a period of 21 days from the date on which the Information Memorandum is filed with the Stock Exchange.

4. Details of Assets purchased

- 4.1 100% equity/ ordinary shares of Bio-Life Marketing Sdn. Bhd. comprising of one million five hundred thousand shares with a par value of Ringgit Malaysia 1 each.
- 4.2 Bio-Life Marketing Sdn. Bhd. is engaged in the business of marketing health related products including probiotics, Essential Fatty Acids, Herbal Products, nutritionals and skincare in Malaysia, Thailand, Vietnam, Singapore, Myanmar and other countries.
- 4.3 Financial highlights
In the twelvemonths period from January 01, 2015 till December 31, 2015 Bio-Life Marketing Sdn. Bhd. generated a sales of approximately Thai Baht 427 Million and Net Profit of approximately Thai Baht 36 Million.
- 4.4 Registered Capital of Five Million shares with a par value of Ringgit Malaysian 1 each.
- 4.5 Paid up capital of One Million Five Hundred Thousand with a par value of Ringgit Malaysian 1 each.

5. Total Value of Consideration

The total consideration for the Transaction is Ringgit Malaysian Seventy Five Million (75,000,000) (Thai baht 605 million based on the exchange rate of Thai Baht 8.07/ Ringgit Malaysian 1) on a Cash-Free and Debt Free basis and the Completion Date which has been set for November 30, 2016.

Remittance of funds

15% payment shall be made within three (03) business days from the date of signing of Share Sale Agreement and balance 85% after making adjustment for net working capital to be made on the Completion date, November 30, 2016.

6. Value of Assets Purchased

The Company believes that the purchase price represents market value and in appraising the equity value, the Company has adopted several valuation methodologies including discounted cash flow valuation and comparisons with valuation multiples of transactions of a similar nature.

7. Benefits expected to be generated

The Company believes that the Transaction will primarily result in delivery of the following benefits to the Company and its shareholders:

- a) Expansion of its existing business in Malaysia and thereby attaining significance in terms of market share, market reach and resources.
- b) Reinforce Mega's commitment to wellness.
- c) Fresh marketing perspectives and augmentation of existing product line.

8. Source of Funds

50% paid using Cashflow from operations and 50% funded by proceeds of Initial Public Offering in November 2013 on the Stock Exchange of Thailand.

9. Utilization of the proceeds from Sale

Not Applicable

10. Category and details of Securities issued

Not Applicable

11. Conditions precedent

None

12. Clarification of whether there are any persons related to the Company with more than 10% shareholding in acquired entity

None

13. Opinion of the Board of Directors

The Board of Directors deems it appropriate to approve this transaction and has the opinion that the entry into this transaction is reasonable and is for the benefit of the Company and its shareholders.

14. Opinion of the Audit Committee and/ or Directors of the Company which are different from those of the Board of Directors

None

15. Statement of Responsibility of directors with respect to the information in this document

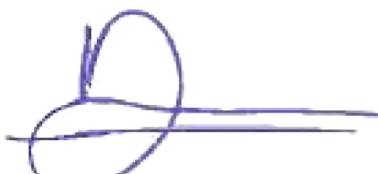
The Board of Directors of the Company, having responsibility with respect to the information in this document, has considered and believes that the information contained herein is true and complete in all material respects.

16. Pending material law suits or claims

There are no liabilities, which may arise from lawsuits or claims, the amount of which exceed 5% of the shareholders' equity.

The Company hereby certifies that the information contained in this Information Memorandum is true in all respects and has been prepared with careful consideration primarily taking into account the interests of shareholders.

Yours Faithfully,



(Vivek Dhawan)



Director, Chief Executive Officer