

**DOD BIOTECH PUBLIC COMPANY LIMITED**

เลขที่ 111 หมู่ที่ 2 ตำบลท่าจีน อำเภอเมืองสมุทรสาคร จังหวัดสมุทรสาคร 74000

111 Moo 2 TambonThachin, Amphurmuangsamutsakhon, Samutsakhon 74000

No. DOD0066/2564

May 10, 2021

Subject: Management's Discussion and Analysis for the first quarter of 2021

To: The President
The Stock Exchange of Thailand (SET)

DOD Biotech Public Company Limited and its subsidiaries ("Company") would like to notify the operating result stated in consolidated financial statements for the first quarter of 2021 compared with the same period of 2020.

For the operating result of the first Quarter ended March 31, 2021 compared with the same period of 2020, the Company had the Revenue from Sale of THB 411.90 Million which was increased by THB 70.30 Million or 20.58% compared with the same period of 2020 and operating profit of THB 125.27 Million which was increased by THB 57.89 Million or 85.92% compared with the same period of 2020 and when adjusted for other items. As a result, the net profit for the year attributable to Owners of the parent by THB 55.12 Million, which was increased by 97.15%, compared with the same period of last year. The income statement in brief is presented as following:

Unit : Million THB

	Jan.-Mar.2021		Jan.-Mar.2020		Increase/(Decrease)	
Revenues from Sale	411.90	100.00%	341.60	100.00%	70.30	20.58%
Cost of Sales	218.99	53.17%	140.15	41.03%	78.84	56.25%
Gross Profit	192.91	46.83%	201.45	58.97%	(8.54)	(4.24%)
Selling Expenses	28.80	6.99%	87.56	25.63%	(58.76)	(67.11%)
Administrative Expenses	38.84	9.43%	46.51	13.62%	(7.67)	(16.49%)
Operating Profit (Loss)	125.27	30.41%	67.38	19.72%	57.89	85.92%
Other Revenues	1.03	0.25%	3.55	1.04%	(2.52)	(70.99%)
Finance Revenues	0.01	0.00%	0.10	0.03%	(0.09)	(86.00%)
Finance Cost	1.97	0.48%	2.65	0.78%	(0.68)	(25.66%)
Other expenses	80.49	19.54%	48.86	14.30%	31.63	64.74%
Earning before tax	43.85	10.65%	19.52	5.71%	24.33	124.66%
Income tax expenses	2.14	0.52%	(7.52)	(2.20%)	9.66	(128.46%)
Profit for the period	41.71	10.13%	27.04	7.92%	14.67	54.27%
Profit for the period attributable to Non-controlling interest	(13.41)	(3.26%)	(0.92)	(0.27%)	(12.49)	1,357.61%
Profit for the period attributable to Owners of the parent	55.12	13.38%	27.96	8.19%	27.16	97.15%



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Revenue from Sale

For the first Quarter 2021, The Company had the Revenue from Sale of THB 411.90 Million which was increased by THB 70.30 Million or 20.58% compared with the same period of last year which came from main business units as following;

- Revenue from the business of food supplements was THB 355.53 Million having growth by 96.92%.
- Revenue from production cosmetic products was THB 25.56 Million having decline by 52.21%.
- Revenue from network marketing business was THB 30.81 Million having decline by 71.36%

The business of food supplements has continuous product development. Includes a variety of products that meet consumers and from a potential customer base. As a result, the revenue of the business of food supplements has continuous and steady growth.

The growth rate of the cosmetics business is declining due to the COVID -19 situation. As a result, the Company's subsidiary is in the process of temporarily ceasing its operations.

The growth rate of the network marketing business is declining due to the COVID -19 situation.

Gross Profit and Gross Profit Margin

For the first Quarter 2021, the Company had gross profit by THB 192.91 Million which was decreased by THB 8.54 Million or 4.24% and Gross Profit Margin was 46.83%, which came from main business unit as following:

- The Gross Profit Margin of the business of food supplements health was 47.06%
- The Negative Gross Profit Margin of the production of cosmetic products was 11.66%
- The Gross Profit Margin of the network marketing business was 76.96%



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Selling and distribution expenses

For the first Quarter 2021, the Company had the selling and distribution expenses by THB 28.80 Million which was decreased by THB 58.76 Million or 67.11% compared with the same period of last year mainly came from commission rate reduction to the agent.

Administrative Expenses

For the first Quarter 2021, the Company had administrative expenses by THB 38.84 Million which decreased by THB 7.67 Million or 16.49% compared with the same period of the last year because the Company had control to administrative expenses effectively.

Operating Profit

For the first Quarter 2021, the Company had the operating profit by THB 125.27 Million which increased by THB 57.89 Million or 85.92% compared with the same period of the last year due to the revenue has increasing and control selling and distribution, including administrative expenses more effectively.

Other expense

The Company has record loss from devaluation of inventories and impairment of fixed asset due to the COVID-19 situation which effect on the operating of subsidiaries significantly. Including the Company recognizes gains on measurement of the fair value of financial assets.

The profit for the year attributable to Owners of the parent

When adjusted for other items. As a result, the Company has the profit for the year attributable to Owners of the parent by THB 55.12 Million, which was increased 97.15%, compared with the same period of the last year.



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The Statement of Financial position as of March 31, 2021 is as following;

Unit : Million THB

	As at 31 March 2021		As at 31 December 2020		Change	
Cash and cash equivalents	201.19	11.35%	143.00	8.25%	58.19	40.69%
Trade Receivables&Other current receivable	320.03	18.05%	280.62	16.19%	39.41	14.04%
Inventories	205.59	11.60%	246.33	14.21%	(40.74)	(16.54%)
Other current assets	2.52	0.14%	3.47	0.20%	(0.95)	(27.38%)
Total Current Assets	729.33	41.14%	673.42	38.85%	55.91	8.30%
Fixed deposit used as collateral	15.44	0.87%	16.08	0.93%	(0.64)	(3.98%)
Investments held as available-for-sale	118.87	6.71%	105.71	6.10%	13.16	12.45%
Property, plant and equipment	823.86	46.48%	863.97	49.84%	(40.11)	(4.64%)
Rights of use assets	17.19	0.97%	11.79	0.68%	5.40	45.80%
Intangible assets	11.33	0.64%	11.44	0.66%	(0.11)	(0.96%)
Deferred tax assets	5.33	0.30%	2.42	0.14%	2.91	120.25%
Other non-current assets	51.28	2.89%	48.65	2.81%	2.63	5.41%
Total Non-Current Assets	1,043.30	58.86%	1,060.06	61.15%	(16.76)	(1.58%)
Total Assets	1,772.63	100.00%	1,733.48	100.00%	39.15	2.26%

As of March 31, 2021, the total assets were increased by THB 39.15 Million or 2.26% compared with December 31, 2020 consisted of cash and cash equivalents that increase of operating cash flow from the higher profits as mentioned above. Trade receivables due to the most of the trade receivable are not yet due according to the increase in sales. Including the decreased of inventories due to the efficient inventory management and record loss from devaluation of inventories and decreasing in PPE due to the adjustment of loss from impairment of assets in the subsidiary.



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Unit : Million THB

	As at 31 March 2021		31 December 2020		Change	
Bank overdraft and short-term borrowings from financial institution	115.93	6.54%	130.39	7.52%	(14.46)	(11.09%)
Trade and other current payables	252.37	14.24%	262.14	15.12%	(9.77)	(3.73%)
Current portion of long-term borrowings	37.77	2.13%	39.58	2.28%	(1.81)	(4.57%)
Current portion of Operating Leases Agreement	8.14	0.46%	8.34	0.48%	(0.20)	(2.40%)
Other current liabilities	31.84	1.80%	28.05	1.62%	3.79	13.51%
Total Current Liabilities	446.05	25.16%	468.50	27.03%	(22.45)	(4.79%)
Long-term borrowings	36.41	2.05%	22.28	1.29%	14.13	63.42%
Liabilities under operating lease agreement	8.51	0.48%	4.56	0.26%	3.95	86.62%
Employee benefit obligations	6.66	0.38%	5.05	0.29%	1.61	31.88%
Other non-current liabilities	9.17	0.52%	8.17	0.47%	1.00	12.24%
Total Non-Current Liabilities	60.75	3.43%	40.06	2.31%	20.69	51.65%
Total Liabilities	506.80	28.59%	508.56	29.34%	(1.76)	(0.35%)
Shareholder's Equity	1,265.83	71.41%	1,224.92	70.66%	40.91	3.34%
Total Liabilities and Shareholder's Equity	1,772.63	100.00%	1,733.48	100.00%	39.15	2.26%

As of March 31, 2021, total liabilities were decreased by THB (1.76) Million or (0.35%) compared with December 31, 2020 consisted of the bank overdraft and short-term borrowings from financial institution due to the repayment according to the payment terms and trade payable - raw material based on decreased due to repayment at the end of the period.

In conclusion, although the economic circumstance has slowdown intensified from the COVID-19 outbreak, but the Company's revenue for the first Quarter had growth compared with the same period of the last year and control selling and distribution, including administrative expenses more effectively, led to operating profit growth include the profit for the year attributable to Owners of the parent that significant growth. For the Company's financial position, the Company still had current ratio 1.64 times and debt to equity ratio 0.40 times, shown that its sufficient liquidity and strong financial position.



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Please be informed accordingly,

Yours Sincerely,

DOD Biotech Public Company Limited

(Miss Suwarin Konthong)

Director