

**Information Memorandum Re: Acquisition of Assets and the Connected Transaction
of Winnergy Medical Public Company Limited**

Winnergy Medical Public Company Limited, Board of Directors Meeting No. 1/2024 held on February 26, 2024, considered the acquisition the land and warehouse buildings currently leased from the lessor, Winnergy Holdings Co., Ltd., which is a connected person of the Company. The purpose of this acquisition is to enhance the Company's competitive edge, expand its medical services business, prevent future lease termination issues, and align with the Company's business plan to expand its laboratory (labs) facilities. This expansion is intended for use as a backup lab to support cervical cancer screening services and to mitigate the risk of failing to meet the obligation of reporting screening results within 14 days from the receipt of the cervical cancer screening kits, under the reimbursement conditions of the National Health Security Office (NHSO). The assets to be acquired are as follows:

The details of the lands which are the location of the warehouse building:

No.	Asset List	Area
1	Land title deed No. 25293	1 Ngan 98 Square Wah
2	Land title deed No. 25294	2 Ngan 8 Square Wah
3	Land title deed No. 25295	2 Ngan 16 Square Wah
4	Land title deed No. 25296	1 Ngan 50 Square Wah
5	Land title deed No. 25297	1 Ngan 50 Square Wah
Total land area		2 Rai 1 Ngan 22 Square Wah

The Details of the warehouse building:

No.	House No.	Building List	Usable Area (Sqm)	Located on Land Title Deed No.
1	31	Warehouse building with office, 3 floors	2,268.50	25295, 25296, 25297
2	31/1	Warehouse building with office, 3 floors	2,181.00	25293, 25294
Other renovation and development				
-	-	Concrete reinforced steel fence and gate, 2.5 meters high, 252.00 meters long	630.00	25293, 25294, 25295, 25296, 25297

-	-	Concrete reinforced steel yard	1,554.50	25293, 25294, 25295, 25296, 25297
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Remark:

- (1) Land and buildings are located at No. 31 and 31/1, Wangthonglang Sub-district, Wangthonglang District, Bangkok, 10310.
- (2) Winnergy Holding Company Limited certifies ownership rights over the land and buildings in their entirety. They have complete authority to sell the land and certify that the land and buildings are free from any encumbrances.

The company will pay compensation for the purchase and transfer of land and warehouse buildings from Winnergy Holdings Company Limited at a price of THB 140 million. This payment will be made on the completion date of the purchase and sale transaction, which is the date the company receives the transfer of land rights along with the buildings at the Land Office. Both parties agree to bear expenses related to the transfer of ownership equally, resulting in the company incurring initial transfer expenses not exceeding THB 3.5 million. The company anticipates that if the shareholder meeting approves the aforementioned transaction, the company will purchase and receive the transfer of land ownership along with the buildings, to be completed within the third quarter of 2024, in accordance with the conditions specified in the letter of intent to sell the land and buildings dated January 10, 2024. The conditions stipulated in the letter are binding and must be fulfilled prior to the transaction.

The acquisition of land and warehouse buildings transaction is regarded as an acquisition of assets pursuant to the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets dated August 31, 2008 (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 or Disposition of Assets B.E. 2547 (2004) dated October 29, 2004 (as amended) (the "Notifications on Acquisition or Disposal of Assets"). Upon calculation of the transaction size of acquisition of assets, if the highest transaction value based on the net tangible assets criteria is equal to 14.67% per the Company's consolidated financial statements for the period ended December 31, 2023 which have been audited by the Company's auditor, and which is lower than 15.0% of the net tangible assets of the Company (the Company does not have any acquisition of assets transaction over the past six months which has not been approved by the shareholders' meeting). Therefore, such a transaction shall not be deemed the acquisition of assets which requires the Company to report and disclose information memorandum to the SET.

However, the acquisition of land and warehouse buildings transaction is regarded as a connected transaction of a listed company under the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions, dated August 31, 2008 (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 Connected Transactions B.E. 2546 (2003), dated November 19, 2003 (as amended) (the "Notifications on Connected Transactions") as this involves the acquisition of assets from Winnergy Holding Company Limited, which is a connected person of the company, upon calculating the value of this transaction, it is found to be equivalent to 25.15% of the Company's net tangible assets per the Company's financial statements for the period ended December 31, 2023 which have been audited by the Company's auditor. Furthermore, when combined with any other connected transactions involving individuals associated or related parties of the associated individuals within the past six months prior to the Board of Directors Meeting No. 1/2024, which had a transaction size of 3.97%, it resulted in a cumulative transaction size of 29.12%, which constitutes a large transaction exceeding 20 million baht and exceeding 3.00% of the company's net tangible assets as per the company's financial statements.

Therefore, the company is obliged to comply with the Public Limited Company Act regarding convening shareholder meetings and announcing related transactions, which stipulates that the company must:

- (1) To prepare a report and disclose the information memorandum on such acquisition of assets, which is a connected transaction of the Company, to the SET immediately, which must at least contain the information as required in the Notifications on Connected Transactions; and
- (2) To appoint an independent financial advisor to carry out relevant functions, including providing its opinions as required by the Notifications on Connected transactions, and the independent financial advisor's report shall be delivered to the shareholders for consideration along with the invitation letter for the Shareholders' Meeting. In this regard, the Company has appointed Siam Alpha Capital Company Limited which is a financial advisor on the list approved by the Securities and Exchange Commission (the "SEC Office"), as the independent financial advisor to provide the shareholders with its opinion on the execution of the transaction on acquisition of assets which is a connected transaction; and
- (3) To convene a shareholders' meeting of the Company to approve such transaction on acquisition of assets, which is a connected transaction, by delivering an invitation letter for the shareholders' meeting to the shareholders at least fourteen days prior to the date of the shareholders' meeting, in order to obtain approval from the shareholders' meeting with not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote, excluding the votes of interested shareholders. The notice of the shareholders' meeting shall indicate the name and the number of shares of the shareholders who are not entitled to vote.

In this regard, the details of the acquisition of land and warehouse buildings transaction are as follows:

1. Date, Month, and Year of the Transaction

The acquisition of land and warehouse buildings transaction will occur once the Company receives approval from the 2024 Annual General Meeting of Shareholders, which is scheduled to be held on April 23, 2024. It is preliminarily expected that the transaction will be completed within the third quarter of 2024.

Moreover, it is subject to the conditions specified in the letter of intent to sell the land and warehouse buildings dated January 10, 2024. The Company must respond to this intent by sending a reply to Winnergy Holding Company Limited (the lessor) within 6 months from January 10, 2024. Additionally, the Company must proceed with the payment for the land and buildings and transfer ownership within 120 days from the date of the response letter expressing the intent to purchase. Failure to comply with these conditions will be considered as the Company's refusal or lack of interest in purchasing or accepting the transfer of the land and warehouse buildings within the specified timeframe. In such a case, Winnergy Holding Company Limited has the right to sell, transfer, or assign the ownership of the land and warehouse buildings to external parties.

2. Parties Involved and their Relationship with the Company

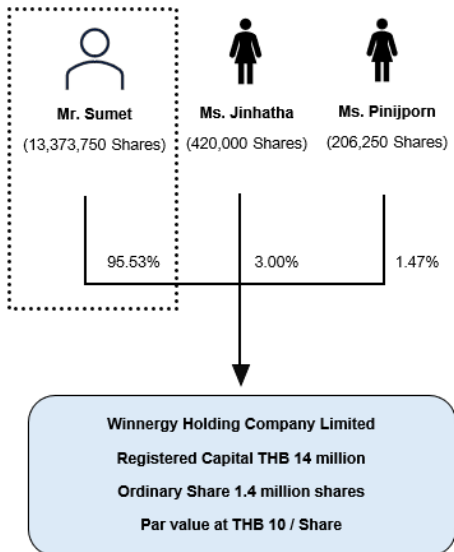
Purchaser:	Winnergy Medical Public Company Limited
Seller:	Winnergy Holding Company Limited
Relationship with the Company:	<ul style="list-style-type: none"> - A juristic person with Mr. Sumet Darakananda (the Company's major shareholder) as a major shareholder and is the controlling person of Winnergy Holding Co., Ltd. (WHO), holding 95.53% of the registered capital in WHO. - Mr. Nanthiya Darakananda, Mr. Tanakorn Vidhayasirinun, and Mr. Amarin Pataranavig are directors and signing authorities of the company. - Mr. Rachan Arayawongchai, who is a manager of WINMED and a signing authority of the company.

Diagram showing the relationship:

Winnery Holding Company Limited (Seller)

Shareholder

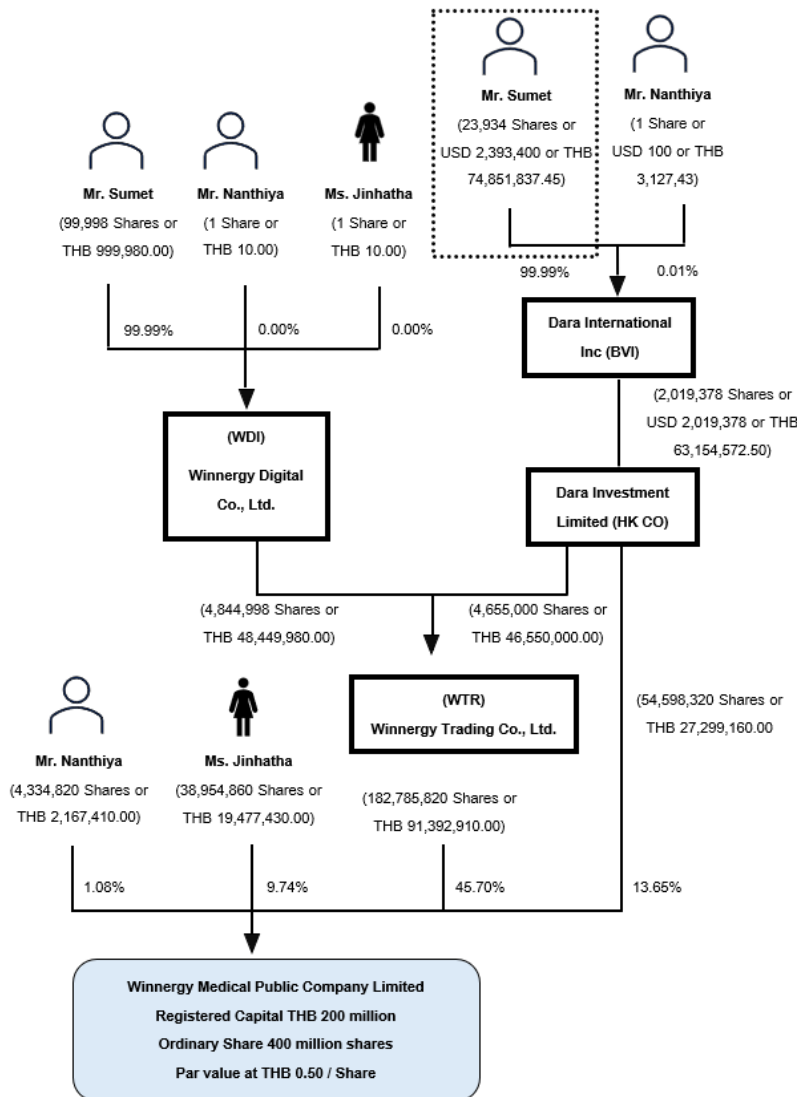
- Mr. Sumet is father of Mr. Nanthiya
- Ms. Jinhatha is spouse of Mr. Nanthiya



Board members who are listed on both the Seller and Purchaser sides:

- Mr. Nanthiya Darakananda
- Mr. Tanakorn Vidhayasirinun
- Mr. Amarin Pataranavig

Winnery Medical Public Company Limited (Purchaser)



3. General Description and Size of the Transaction

3.1 General Description of the Transaction

The Company intends to purchase the land and warehouse buildings from Winnery Holding Company Limited. The key assets involved are 5 land plots with 2 buildings. The details of the transaction are as follows:

Assets involved in the transaction:

Please consider the details in Clause 4.

Value of consideration: The Company will pay compensation for the purchase of the land and warehouse buildings to the Seller in an amount not exceeding THB 140 million. (In this regard, expenses related to the transfer of ownership, agreed upon by both parties, will be shared equally, with the company being responsible for such expenses up to a maximum of THB 3.5 million).

Transaction timeframe: Within the third quarter of 2024 or as mutually agreed upon by the relevant parties.

Preceding mandatory conditions:

- (1) The shareholder meeting of the company passed a resolution approving the transaction for the acquisition of land and warehouse buildings.
- (2) The Company has received the transfer of ownership of the land and warehouse buildings free from any encumbrances or related debts.

3.2 Calculation of the Transaction Size

3.2.1 Calculation of the Acquisition of Assets

Transaction Size calculation of the acquisition of land and warehouse buildings transaction from Winnergy Holding Company Limited under the Notification on Acquisition or Disposal of Assets based on the Company's financial statements for the period ended December 31, 2023, which have been audited by the Company's auditor and the total value of consideration received is as follow:

Calculation Bases	Calculation Formula	Calculation	Transaction Size
Net value of tangible asset (Net tangible asset – NTA)	$\frac{\text{NTA of assets acquired} \times \text{Proportion of acquisition} \times 100}{\text{NTA of the Company}}$	Not entitle to calculate	Not entitle to calculate
Net profit from the business operation	$\frac{\text{Net profit of assets acquired} \times \text{Proportion of acquisition} \times 100}{\text{Net profit of the Company}}$	Not entitle to calculate	Not entitle to calculate
Total value of consideration received	$\frac{\text{Total value of consideration received} \times 100}{\text{Total assets of the Company}}$	$\frac{143.5 \times 100}{977.88}$	14.67 %
Value of securities issued for the payment of assets	$\frac{\text{The amount of issued shares for the payment of assets} \times 100}{\text{The amount of paid-up shares of the Company}}$	Not entitle to calculate	Not entitle to calculate

3.2.2 Calculation of the Connected Transaction Size

As Winnergy Holding Company Limited is a connected person of the Company, in this connection, an acquisition of assets transaction of the Company shall be deemed a connected transaction of a listed company under the Notification on Connected Transactions, normal business transaction without general trading conditions type, per the Company's consolidated financial statements for the period ended December 31, 2023, which have been audited by the Company's auditor. For the total consideration value, it will be calculated from the transaction value of purchasing the land and warehouse buildings, including the expenses related to the transfer of ownership under the company's responsibility, amounting to 143.5 million baht. The breakdown of the calculation details is as follows:

Consideration	Total value of consideration	Total value of tangible assets of the Company	Percent of the total assets value of the Company
Land purchase price	143,500,000	570,641,641.03	25.15
Total	143,500,000	570,641,641.03	25.15

value of net intangible assets (NTA) of the Company as of December 31, 2023, are shown in the table below:

Consolidated Financial Statements	
Total Assets	977,879,247.41
<u>Deduct</u> Deferred Tax Assets	(9,139,536.33)
Other intangible assets	(24,233,931.02)
Total liabilities	(373,864,139.03)
Shareholding of minor shareholders	-
Net Tangible Assets (NTA)	570,641,641.03

Furthermore, there are other connected transactions that occurred within the six months preceding the agreement of this transaction, which have not yet been approved by the shareholder meeting. These transactions have a size equal to 3.97%, contributing to the total size of transactions at 29.12%, exceeding the threshold of 3.00%. Therefore, in conducting this transaction, the company is obligated to comply with the Public Limited Companies Act and related regulations, which mandate the company to:

- (1) To prepare a report and disclose the information memorandum on such acquisition of assets, which is a connected transaction of the Company, to the SET immediately, which must at least contain the information as required in the Notifications on Connected Transactions; and

- (2) To appoint an independent financial advisor to carry out relevant functions, including providing its opinions as required by the Notifications on Connected transactions, and the independent financial advisor's report shall be delivered to the shareholders for consideration along with the invitation letter for the Shareholders' Meeting. In this regard, the Company has appointed Siam Alpha Capital Company Limited which is a financial advisor on the list approved by the Securities and Exchange Commission (the "SEC Office"), as the independent financial advisor to provide the shareholders with its opinion on the execution of the transaction on acquisition of assets which is a connected transaction; and
- (3) To convene a shareholders' meeting of the Company to approve such transaction on acquisition of assets, which is a connected transaction, by delivering an invitation letter for the shareholders' meeting to the shareholders at least fourteen days prior to the date of the shareholders' meeting, in order to obtain approval from the shareholders' meeting with not less than three-fourths of all votes of the shareholders present at the meeting and entitled to vote, excluding the votes of interested shareholders. The notice of the shareholders' meeting shall indicate the name and the number of shares of the shareholders who are not entitled to vote.

4. Details of Acquired Assets

Upon completion of the transaction, the company will assume ownership of 5 land plots and 2 warehouse buildings including improvement and development sections, with the details as follows:

The details of the lands which are the location of the warehouse building:

No.	Asset List	Area
1	Land title deed No. 25293	1 Ngan 98 Square Wah
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Remark

- (1) land and buildings are located at No. 31 and 31/1, Wangthonglang Sub-district, Wangthonglang District, Bangkok, 10310.
- (2) Winnergy Holding Company Limited certifies ownership rights over the land and buildings in their entirety. They have complete authority to sell the land and certify that the land and buildings are free from any encumbrances.

5. Total Value of Consideration

The total compensation value for the transaction will not exceed THB 140 million. The Company will pay the compensation in the form of cash or cashier's check to the contracting party on the same day as the transfer of ownership from the Seller to the Purchase. This will occur after all preceding mandatory conditions under the land and building purchase agreement have been fulfilled, and various actions have been taken to complete the transaction as specified in the aforementioned contract.

6. Value of Acquired Assets

The value of the assets acquired from the transaction to purchase the land and warehouse buildings will be equal to the total consideration value.

7. Basis of Calculation of the Value of Consideration

The value of the consideration is determined through negotiation and mutual agreement, including the appraisal value of the land and warehouse buildings obtained from independent property appraisers approved by the SEC, totaling 2 evaluations as follows:

- (1) True Valuation Co., Ltd., with Mr. Suchai Boonchuang as the primary appraiser, assessed the total value of the land and warehouse buildings as THB 132,970,000.

- (2) KT Appraisal Co., Ltd., with Miss Phallavee Jongtangajatham as the primary appraiser, assessed the total value of the land and warehouse buildings as THB 145,300,000.

8. Expected benefits to the Company

- (1) To enhance competitiveness and expand the company's medical service business

The Company currently operates a cervical cancer screening service in collaboration with the National Health Security Office (NHSO). This expansion aligns with the business plan initiated in 2023. As of February 26, 2024, the Company's laboratory, located at 636/8 Building, covers an area of 369.97 square meters and can accommodate up to 1,000 tests per day or 300,000 tests per year for cervical cancer screening. The tests are gradually processed as they arrive at the lab. The Company anticipates that, if the project is expanded according to the MOUs signed with various regional areas under the NHSO project, approximately 360,000 tests will be conducted in 2024, fully utilizing the lab's capacity. Currently, the Company has begun signing MOUs with provincial administrative organizations (PAOs) in Nakhon Ratchasima, Kamphaeng Phet, Udon Thani, and Kanchanaburi, with tests already being conducted. Negotiations for agreements with other areas are ongoing as part of the Company's 2024 operational plan. However, this does not include the expansion of new laboratory spaces that may occur in the future.

Considering the existing laboratory space is insufficient to accommodate the ongoing expansion plans and future developments, the investment in expanding the laboratory within the warehouse space to be purchased will help enhance the Company's revenue-generating capabilities. This includes adjusting the layout of the space to comply with the requirements set by the Ministry of Public Health to support the upcoming service provision. In this regard, this investment aims to mitigate business risks in case the current laboratory space encounters interruptions or becomes inoperable due to unforeseen circumstances such as natural disasters or other events. By ensuring continuity of service provision, the Company can also mitigate the risk of breaching agreements requiring the reporting of screening results within 14 days of receiving the screening kits, under the payment conditions set by the NHSO.

- (2) To mitigate the risk of lease contract termination in the future

Due to the majority of the Company's products are medical devices, solutions, and medical materials that need to be stored under controlled conditions as per regulations, specifications, and clear storage guidelines approved by the relevant governmental agencies. Moreover, they must comply with the conditions set by product manufacturers supplied to the company, having

undergone Good Distribution Practice (GDP) inspections from manufacturers abroad, as well as other certifications from international manufacturers such as CERUS and Haemonetics.

Furthermore, the warehouse has been certified with ISO9001:2015 for quality management systems, ISO 13485:2016 for quality management systems specific to medical devices, and stringent safety standards compliant with warehouse standards. Additionally, the warehouse is strategically located near the Company's head office, facilitating ease of management and situated within urban areas, making transportation cost management easier due to proximity to major clients, including leading hospitals and medical facilities. In the event of needing to find new storage space due to lease termination, the Company would require time, resources, and capital to secure new space, including the need to enhance storage safety systems and allocate space in accordance with various regulatory measures, which could potentially disrupt operations.

Investing in the purchase of land and warehouse buildings this time will help mitigate the risk of lease termination in the future due to uncertainty from the Lessor. This will ensure operational stability for the Company.

9. Sources of Funds

Source of funds for entering into the acquisition of land and warehouse buildings transaction will come from borrowing from financial institutions, not exceeding THB 112 million, and the remaining portion will come from the Company's internal cash flow. For the difference from the total purchase price and various expenses in transferring the ownership, which the contracting parties agreed to share responsibility equally, it will also come from the Company's cash flow.

Furthermore, the debt-to-equity (D/E) ratio as of December 31, 2023, was 0.62. It will increase to 0.71 (calculated from the data as of December 31, 2023, plus increased liabilities minus decreased liabilities according to the lease agreement). Financial institutions have a requirement for the Company to maintain a financial covenant regarding the debt-to-equity ratio not exceeding 2.

Initially, the company negotiated with financial institutions to request a credit facility for the intended transaction. The details of the credit facility are as follows:

Amount:	THB 112 million, not exceeding 80% of the certified bank appraisal value.
Objective:	To purchase land with warehouse construction.
Period:	8 years from the first loan disbursement, disbursed within the year 2024.

Interest Rate:	Year 1-8: MLR -2.20% per annum.
Repayment Conditions:	Principal: Monthly repayment of THB 1,167,000 after the first loan disbursement. Interest: Monthly repayment from the first loan disbursement.
Repayment Period:	Total of 96 installments for principal and interest combined.
Loan Utilization Conditions:	Can be used to pay for land, warehouse, and related equipment according to the purchase agreement, not exceeding 80% of the certified bank appraisal value.
Collateral:	Mortgage on land with warehouse construction supported by the bank in this transaction.
Other Conditions:	Assessment and insurance must be arranged with insurance companies acceptable to the bank, with insurance coverage not less than the credit facility provided by the bank or the maximum amount acceptable to the insurance company. Benefits according to the policy are assigned to the bank.
Financial Covenant:	Debt-to-Equity Ratio (D/E Ratio) not exceeding 2 times. Debt Service Coverage Ratio (DSCR) not less than 1.2 times throughout the credit facility term. Subordinate Debt to Directors/Related Companies.
Front-End-Fee:	Exempted.
Prepayment Fee:	2% of the outstanding debt for early repayment, applicable only for refinancing.

In this regard, the Company has negotiated and compared terms with various financial institutions to secure the lowest financial cost, considering the maximum benefit for the Company and shareholders.

10. Opinion of the Board of Directors

The Board of Directors has considered the transaction to purchase land and warehouse buildings from Winnergy Holding Company Limited and has unanimously approved the said transaction. After careful consideration, it was deemed to be a reasonable and highly beneficial deal for the Company. Additionally, the criteria used to determine the value of consideration were found to be appropriate and aimed at maximizing long-term benefits for both the Company and its shareholders. Furthermore, it was determined that the transaction would not have any adverse effects on the rights of the shareholders.

In addition, Mr. Nanthiya Darakananda, D.D.S. Jinhatha Panyasorn, Mr. Amarin Pataranavig, and Mr. Tanakorn Vidhayasirinun, as the interested director, did not attend this meeting agenda and did not have the right to vote at the Board of Directors Meeting No. 1/2024, held on February 26, 2024. This was during the consideration for the approval of agenda items related to the connected transaction.

11. Opinion of Audit Committee

The Company's Audit Committee does not give opinions that are different from the opinions of the Board of Directors of the Company.

The Company certifies that the Information Memorandum under this report is correct and complete in all respects.

Sincerely yours,



(Mr. Nanthiya Darakananda)

Chief Executive Officer