

KC092/64

December 27, 2021

Subject: The acquisition of assets

To: The President

The mai stock exchange

Enclosure: 1. Information Memorandum on the Acquisition of Assets

Kumwell Corporation Public Company Limited (KUMWEL) would like to notify to the mai Stock Exchange that the Board of the Directors' Meeting No. 12/2021 which was held on December 27, 2021 approved construction of the Company's head office building. The details are as follows.

Referral to the Board of the Directors' Meeting No. 3/2021 which was held on April 1, 2021 approved the purchase of raw land and land improvement expenses for construction of the Company's head office building worth Baht 53,570,600 with the land size 721.9 square wahs or 2,887.6 square meters and located on Nonthaburi Bypass Road, Bang Kraso, Mueang Nonthaburi for construction of the Company's head office building. The transaction size is equal to 8.72 percent of total assets according to the calculation based on the Company's consolidated financial statements of the period ended December 31,2020 which does not fit to the stock exchange rule of assets acquisition.

The Board of the Directors' Meeting No. 12/2021 which was held on December 27, 2021 approved the construction of the Company's head office building with 6-storey and 8,742.60 square meters construction areas. The new building worth baht 190,000,000. The details of transactions are as follows

	Transactions	Cost (baht)
1	Purchase of raw land and land improvement expenses	53,570,600
2	Company's building construction	170,000,000
3	Building elevator, furniture and interior equipment	<u>20,000,000</u>
	Total	<u>243,570,600</u>

All transactions were acquisition of assets with transaction size equal to or higher than 15 percent but less than 50 percent according to the method of calculating the transaction size use the total value of consideration criteria in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering Material Transactions Deemed as Acquisition or Disposal of Assets and the Notification of the Stock Exchange of Thailand dated August 31, 2008 and 2004 dated October 29, 2004

The company calculated all transactions according to the method of calculating the transaction size use the total value of consideration criteria worth 37.93 percent of total assets base on the Company's consolidated financial statements of the period ended September 30,2021 which is fit to the stock exchange rule of assets acquisition. (transactions size, $15\% \leq X < 50\%$) and the company has a duty to disclose the information of transactions to the mai stock exchange immediately and must send a notice to the shareholders together with information on the transaction within 21 days from the date of disclosure of the transaction to the mai stock exchange.

Your Sincerely,

(Mr. Boonsak Kiatjaroonlert)

Chief Executive Officer

Kumwell Corporation Public Company Limited

**Information Memorandum on the Assets Acquisition of
KUMWELL CORPORATION PUBLIC COMPANY LIMITED**

1. The date on which the transaction occurs:

Resolution of the Board of Directors Meeting No. 3/2021 on April 1, 2021 has approved the purchase of raw land and land improvement for construction of the Company's head office building worth baht 53,570,600 with the land size 721.9 square wahs or 2,887.6 square meters and located on Nonthaburi Bypass Road, Bang Kraso, Mueang Nonthaburi for construction of the Company's head office building.

Resolution of the Board of the Directors' Meeting No. 12/2021 on December 27, 2021 has approved the construction of the Company's head office building with 6-storey and 8,742.60 square meters construction areas. The total of new building worth baht 190,000,000.

2. Related Parties and Relationship with the Company

Buyer: KUMWELL CORPORATION PUBLIC COMPANY LIMITED

Sellers: 1. Raw Land

1.1 Miss.Suphattra Chamsak and Mr.Aekamorn Suddan

1.2 Mr.Suchart Kateyong, Mr.Surachai Kateyong and Mr.Boonchu Kateyong

2. Building Construction (Contractor): SAOLAK CONSTRUCTION COMPANY LIMITED

Registered and Paid up Capital: (Baht) 25,000,000

Contractor Financial Status	2020 (MB)
Total Revenue	390.67
Net profit	(23.76)
Total Assets	333.39
Total Liability	95.86
Shareholders' equity	237.53

Contractor Shareholders

- | | |
|--------------------|-------------------|
| 1. Mr.Sombat | Keeratiwirachkarn |
| 2. Miss Suwannapha | Ruengsilpkolakarn |
| 3. Mr. Banjerd | Watanakuljarus |
| 4. Mr. Surat | Nilayanat |
| 5. Mr. Phusit | Pongsupaleeporn |

Both sellers have no relationship and any relation with the Company, Shareholders, Directors and Executive Directors.

3. General Characteristics of the Transactions

KUMWELL CORPORATION PUBLIC COMPANY LIMITED need operational areas expansion as 826 square meters areas of existing head office are not enough for future business growth and also consolidate main company functions exclusively on new head office building.

Kumwel invest in

1. Raw land with land improvement size 721.9 square wahs or 2,887.6 square meters worth baht 53,570,600. BANGKOK VALUATION & CONSULTANT CO., LTD, an independent appraisal company approved by SEC, reported appraisal value of this raw land worth baht 61,361,500 by market approach.
2. Company's office building with SAOLAK CONSTRUCTION COMPANY LIMITED worth baht 170,000,000.
3. Building elevator, furniture and interior equipment worth baht 20,000,000 for building elevator, furniture and interior equipment. (another budget)

All transactions worth baht 243,570,600. The company has completed land payment and ownership transferred on June 30,2021. The payment of Company's building construction, elevator, furniture, and interior equipment will base on percentage of completion.

Calculation of the Transaction Size

All transactions worth baht 243,570,600 or equals to 37.93 percent to the total value of consideration basis and the calculation based on the Company's consolidated financial statements of the period ended September 30,2021

The details of calculation of the Transaction size

Calculation Basis	Formula	Transaction Size
1. Net Tangible Asset Value	Unable to calculate as it is a purchase of assets	-
2. Net Profit	Unable to calculate as it is a purchase of assets	-
3. Total Value of Consideration	Amount paid or received/ total assets of the Company (243,570,600×100)/642,216,776.59	37.93%
4. Total Value of Securities	Unable to calculate as it is a purchase of assets	-

Summary of the process according to the calculated transaction size:

Transaction size (X)	Procedure			
	Notify the SET	Sending a circular notice to shareholders*	Seek approval from shareholders** and have IFA	File for new securities listing
$X < 15\%$				
$X < 15\%$ and issue shares to pay for assets	/			
$15\% \leq X < 50\%$	/	/		
$50\% \leq X < 100\%$	/		/	
$X \geq 100\%$ (Backdoor Listing)	/		/	/

Which is classified as the acquisition of assets (transactions size, $15\% \leq X < 50\%$) according to the announcement of the acquisition or disposal which the company has a duty to disclose the information of the transaction to the mai market immediately and must send a notice to the shareholders together with information on the transaction within 21 days from the date of disclosure of the transaction to the SET.

4. Summary of Details of Acquired Assets

4.1 purchase of raw lands from

1. Miss.Suphattra Chamsak and Mr.Aekamorn Suddan

2. Mr.Suchart Kateyong, Mr.Surachai Kateyong and Mr.Boonchu Kateyong

Total transaction value of land worth baht 53,570,600 consist of raw land worth baht 53,420,600 and land improvement expense worth baht 150,000. Lands size 721.9 square wahs or 2,887.6 square meters and located on Nonthaburi Bypass Road, Bang Kraso, Mueang Nonthaburi, Nonthaburi.

	Document of Land Title	Land No.	Survey Page	Area (square wahs)
1.	Land Title Deed No. 226912	104	4570	701.7
2.	Land Title Deed No. 260981	659	12324	20.2

4.2 Company's building construction (baht)	170,000,000
4.3 Building elevator, furniture and interior equipment (baht)	<u>20,000,000</u>
Total (baht)	<u>243,570,600</u>

5. Source of Funding

Source	Worth (MB)	Portion (%)	Note
Cash flow from operation	55.29	22.7%	
Fund received from Initial Public Offering (IPO)	17.78	7.3%	Improve and develop product testing room at the new head office building.
Loans from financial institution	170.50	70.0%	Loans drawdown does not restrict distribution of dividend in the event that the Company distributes dividends to its shareholders.
Total	243.57	100.0%	

In this regard, The Board of the Directors' Meeting No. 12/2021 which was held on December 27, 2021 has approved the Company to improve the purpose of using the capital increase of MB 17.78 from "improvement and development of product testing rooms at Bang Yai Factory" which currently a rental area to "improvement and development of product testing rooms at the new head office building".

6. Anticipated Benefits from the Transactions

The acquisition of the company's land and the Company's head office building will result in

- 1) Higher company efficiency by consolidating main company function on new head office building.
- 2) Support future business growth.
- 3) Lower operating expense that enhance the competitiveness to be equal or superior to competitors.

7. Conditions on Entry into the Transactions

The Board of Directors is of the opinion that purchase of raw land and construction of the Company's head office building is essential to support business expansion and enhancing company competitiveness which promote company long the growth sustainability. Therefore, the Board of Directors has unanimously approved the transactions.

8. Opinion of the Company's Board of Directors Concerning Entry into the Transactions

-None-