



COMMUNICATION OF PRIVILEGED INFORMATION

20 November 2023

In accordance with the provisions of article 226 of the revised text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, and other concordant provisions, ATRYS HEALTH, S.A. ("**ATRY**S" or the "**Company**") hereby announces:

Sale of 75.01% of Professional Group Conversia, S.L.:

ATRY S announces that on 17 November 2022, the Company and its wholly owned subsidiary Aspy Prevención, S.L.U., received a binding offer for the sale of 75.01% of the shares of Professional Group Conversia, S.L. (hereinafter "**Conversia**") to the company Arraigo Midco S.L. (a company controlled by Arraigo NW Segundo, S.A.U.) (the "**Purchaser**").

The agreed price for the 75.01% stake in Conversia amounts to 35 million euros.

The current offer for 75.01% of Conversia's shares, together with the sale of 24.99% stake executed on 22 December 2022, will allow **ATRY S to obtain a total amount of 55 million euros for the sale of 100% of Conversia.**

This divestment is part of ATRYS' strategic plan, which focuses on the Precision Medicine and Preventive Medicine business segments.

The proceeds from the sale of 75.01% of Conversia will be used to reduce the Atrys Group's financial debt.

Completion of the transaction is subject to the execution of the customary contractual agreements for these kind of transactions and is expected to be completed before the end of the 2023 financial year.

Attached to this communication we include the report issued by the Audit Committee of the Company held on 26 October 2023 on the transaction described above, as it is considered a related-party transaction.

Madrid, 20 November 2023

Ms Isabel Lozano Fernández

Chief Executive Officer



**REPORT OF THE AUDIT COMMITTEE OF ATRYS HEALTH, S.A.
ON RELATED-PARTY TRANSACTIONS CONCERNING THE INVEREADY E
ION ION, S.L. GROUP**

I. OBJECT.

Pursuant to article 14, section g) of the Regulations of the Board of Directors of Atrys Health, S.A. ("**ATRYYS**" or the "**Company**"), the Audit Committee's basic responsibilities include "*Reporting on related-party transactions to be approved by the General Meeting or the Board of Directors and supervising the internal procedure established by the Company for those transactions whose approval has been delegated*".

Articles 529s(1) and 529u(3) of the Capital Companies Act provide that:

"For the purposes of this Chapter, related party transactions shall mean transactions entered into by the company or its subsidiaries with directors, with shareholders holding 10 % or more of the voting rights or represented on the board of directors of the company, or with any other persons who are to be considered as related parties in accordance with International Accounting Standards, adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards".

"The approval by the general meeting or by the board of a related-party transaction shall be subject to a prior report by the audit committee. In its report, the committee shall assess whether the transaction is fair and reasonable from the point of view of the company and, where appropriate, of the shareholders other than the related party, and shall give an account of the assumptions on which the assessment is based and the methods used. The directors concerned may not participate in the preparation of the report".

The transaction consisting on the sale of 75.01% of the share capital of Professional Group Conversia, S.L.U. ("**Conversia**") (a company in the ATRYYS group through ASPY Prevención, S.L.U. and ASPY Global Services, S.A.U.) in favour of Arraigo MidCo, S.L. (hereinafter, "**Arraigo**"), which at the time of the transaction will be directly owned by Arraigo NW Segundo, S.A.U. (an entity controlled by Inveready GP Holding SCR, S.A.) (51.01%) and ION ION, S.L. (49.99%).

II. QUALIFICATION OF THE TRANSACTION AS A RELATED PARTY TRANSACTION.

The sale of 75.01% of Conversia's share capital to Arraigo is a related-party transaction in accordance with Article 529 vicies, paragraph 1, of the Capital Companies Act, which provides that:

"For the purposes of this Chapter, related party transactions shall mean transactions entered into by the company or its subsidiaries with directors,

with shareholders holding 10 % or more of the voting rights or represented on the board of directors of the company, or with any other persons who are to be considered as related parties in accordance with International Accounting Standards, adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards".

International Accounting Standard No 24 sets out in paragraph 9 ("**Definitions**") on the definition of a related party as follows:

"Related party is a person or entity related to the entity that prepares its financial statements (referred to in this standard as a 'reporting entity').

(viii) A person or a close relative of such a person is linked to a reporting entity if:

(viii) exercises control or joint control over the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is key management personnel of the reporting entity or its parent.

(b) an entity is related to a reporting entity if any of the following conditions are met:

(viii) the entity, or any member of the group to which it belongs, provides key management personnel services to the reporting entity or to the parent of the reporting entity".

The definition of "Key management personnel" is as follows:

"Key management personnel are those persons who have authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including any member (whether executive or non-executive) of the board of directors or equivalent governing body of the entity."

It can be concluded from the above that the transaction under review is a related party transaction within the meaning of paragraph (b)(viii) of section 9 of International Accounting Standard 24:

- a) the director of the Company, Mr. Josep María Echarri Torres, insofar as he is (i) a key member of the management of ATRYS as a member of its Board of Directors; (ii) a natural person representative of the joint administrator of Inveready GP Holding SCR SA; and (ii) and controlling shareholder of Inveready Asset Management SGCEIC, the management company of Arraigo.
- b) the director of the Company, Mr. Manuel Guerrero Maldonado, as he is (i) a key member of the management of ATRYS as a member of its Board of Directors; and (ii) holds the position of Chief Investment Officer in the company Ion Ion, S.L.

III. TERMS AND CONDITIONS OF THE TRANSACTION.

a) Background.

Once the decision was taken to sell assets not linked to the Group's core business lines by the end of 2022, a competitive *beauty contest process* was launched for the sale of Conversia, contacting potential investors.

Of the offers received by the end of the 2022 financial year, the offer submitted by Arraigo to acquire 24.99% of Conversia (offer accepted by ATRYS and the transaction executed), together with the offer submitted in October 2023 by Arraigo to acquire the remaining 75.01% stake, exceed by a wide margin the valuations offered by other interested parties to acquire 100% of Conversia.

Additionally, in October 2023, an independent well known expert ("Norgestión, S.A.") was commissioned to issue a "*Fairness Opinion*" regarding the reasonableness of the valuation of 100% of Conversia. The opinion report was issued by Norgestión, S.A. on 24 October 2023, giving a reasonable Enterprise Value valuation range of between EUR 42.4 million and EUR 51.8 million for the total aggregate valuation offered by Arraigo to acquire 100% of Conversia, amounting to EUR 55 million.

b) Proposed sale of 75.01% of Conversia's capital.

In view of the above, it is proposed to sell 75.01% of Conversia to Arraigo.

Arraigo's offer for the acquisition of 75.01% together with the offer executed by Arraigo in December 2022 for 24.99% of Conversia results in a valuation for 100% of EUR 55 million, achieving the objective of ATRYS' strategic plan to divest those assets not linked to the Group's core activities.

The transaction will terminate the Conversia shareholders' agreement between Atrys Prevención, S.L.U. and Arraigo. However, Arraigo will retain an exercisable put right for a fixed value of 20 million euros, payable, at ATRYS' option, in cash or in newly issued ATRYS shares (or treasury shares) valued at VWAP of the 30 sessions prior to the execution of the PUT at a discount of 10%. In the event of exercise of the PUT, ATRYS would reacquire 50.01% of Conversia.

The transaction is expected to be completed by 31 December 2023.

IV. FULL TEXT OF THE DRAFT AGREEMENT.

In view of the above, the Committee reports favourably on the adoption by the Board of Directors of the following resolution:

"Approve the sale of 75.01% of the share capital of Professional Group Conversia, S.L.U. to Arraigo for 35 million euros".

V. COMPETENT BODY FOR APPROVAL. PUBLICITY.

The competent body for the approval of the sale of 75.01% of Conversia to *Arraigo* is the Board of Directors of ATRYS, insofar as its amount does not equal or exceed 10% of the total asset items according to the last annual balance sheet approved by the Company, as indicated in article 529 duovicies, section 1, of the Capital Companies Act.

Likewise, its publication is mandatory under the terms of article 529 unvicies of the Capital Companies Act, insofar as the amount of the aforementioned transaction exceeds 2.5% of the annual amount of the annual turnover of the last consolidated balance sheet approved by the General Meeting of the Company.

VI. CONCLUSION.

In view of the above, the Committee concludes that the proposed sale of 75.01% of Conversia's share capital to *Arraigo* will be carried out under market conditions, respecting the principle of parity of treatment with other shareholders, and is fair, reasonable and in the Company's interests, having been carried out through a transparent process, with the intervention and supervision of this Committee, in accordance with the provisions of article 529 duovicies, section 3, of the Capital Companies Act.

In Madrid, 26 October 2023.

El Presidente
Jaime Cano Fernández

The Secretary
Alberto Castañeda González

Jaime del Barrio Seoane

Anabel López Porta

[Note: Certain information regarding the transaction described in the Audit Committee report was omitted in order to preserve the Company's interests. In any case, the necessary and sufficient information has been included so that shareholders can assess that the transaction is fair and reasonable]

