

28 February 2019

**Subject : Dividend Payment and 2019 Annual General Meeting of Shareholders**

**To :** Singapore Exchange Securities Trading Limited  
2 Shenton Way # 19-00  
SGX Center 1, Singapore

**BANGKOK DUSIT MEDICAL SERVICES PUBLIC COMPANY LIMITED**  
**Baht 10,000,000,000 U.S. Dollar Settled Zero Coupon Convertible Bonds due 2019(the “Bonds”)**

Bangkok Dusit Medical Services Public Company Limited (the Company) would like to notify you that the Company’s Board of Directors at the meeting No. 2/2019 held on 28 February 2019 passed material resolutions as follows:

1. 2019 Annual General Meeting of Shareholders was scheduled on 12 April 2019 at 13:30 hours at His Royal Highness Crown Prince Maha Vajiralongkorn Ballroom, 3rd floor, Royal Golden Jubilee Building, Soi Soonvijai (Soi Petchaburi 47), New Petchburi Road, Bangkok.
2. A list of shareholders entitled to attend the 2019 Annual General Meeting of Shareholders and receive dividend was determined on 15 March 2019 (the Record Date) to consider the agenda as follows:

**Item 1 To acknowledge the Company’s performance for 2018**

Objective and Reason: The report of year 2018 performance, as required by Article 29 of the Company’s Articles of Association.

Board’s Opinion: The Board requests the Meeting to acknowledge the report of year 2018 performance.

**Item 2 To consider approving the Company and its subsidiaries’ audited consolidated financial statements for 2018**

Objective and Reason: To be in compliance with relevant law stipulating that a company shall prepare its financial statements at the end of the fiscal year of the company and arrange for them to be audited and certified by the auditor prior to proposing for shareholders' approval.

Board’s Opinion: By recommendation of the Audit Committee, the Board of Directors is of the opinion that the shareholders should approve the Company and its subsidiaries’ audited consolidated financial statements for the year ended 31 December 2018.

**Item 3 To consider approving the allocation of 2018 profit and dividend payment**

Objective and Reason: The Company's policy is to pay dividends at no less than 50% of the net profit of the consolidated financial statements, depending on business expansion and capital requirements of the Company in each year, as approved by the shareholders, except for interim dividends which may be approved by the Board of Directors if the Board deems that the Company has had good operating results and sufficient liquidity.

Board's Opinion: The Board of Directors is of the opinion that the shareholders should approve the allocation of the Company and its subsidiaries' net profit and retained earnings by distributing dividend at the rate of Baht 0.32 per share; divided into the dividend derived from profit under BOI privilege Baht 0.035 per share, and from profit under non-BOI privilege Baht 0.285 per share; totalling Baht 5,013,633,528.71 which is equal to 54.5% of the Company's net profit of the consolidated financial statements and in line with the Company's dividend policy.

The Board of Directors' meeting no. 8/2018 had resolved to pay the interim dividend for the first half of 2018 performance at the rate of Baht 0.13 per share for 15,665,629,843 shares totalling Baht 2,036,531,879.59 on 28 September 2018, therefore the Company shall pay a final dividend for 2018 performance at Baht 0.19 per share for 15,668,956,048 shares; divided into the dividend derived from profit under BOI privilege Baht 0.035 per share, and from profit under non-BOI privilege Baht 0.155 per share; totalling Baht 2,977,101,649.12. The dividend payment shall be made on 26 April 2019. However, the number of the Company's issued and paid-up common shares together with the dividend amount may increase subject to the conversion of convertible bonds into common shares and the registration of increased common shares which occur prior to the Record Date, and such dividend payment is subject to the approval of the AGM 2019.

Since the Company has full legal reserve of the registered capital according to the Articles of Association, the Company has no need to allocate the Company's net profit as a legal reserve.

**Item 4 To consider electing directors in replacement of those who retire by rotation**

Objective and Reason: In accordance with the Company's Articles of Association, one-third of the directors must retire from office at every Annual General Meeting of Shareholders. Consequently, there are 5 directors retiring at this AGM, namely;

- |                                                |                      |
|------------------------------------------------|----------------------|
| 1. Professor Emeritus Santasiri Sornmani, M.D. | Independent Director |
| 2. Mr.Chavalit Sethameteekul                   | Independent Director |
| 3. Mr.Att Thongtang                            | Director             |
| 4. Mr. Arsa Sarasin                            | Independent Director |
| 5. Mr.Chatree Duangnet, M.D.                   | Director             |

The Nomination and Remuneration Committee, excluding the related directors, having considered the directors' skills, experience and expertise together with their participation in making decisions and recommendations that are of great benefit to

the operation of the Company and subsidiaries, recommended that Professor Emeritus Santasiri Sornmani, M.D., Mr.Chavalit Sethameteekul, Mr.Att Thongtang and Mr. Arsa Sarasin be re-elected as the directors for another term. Since Mr.Chatree Duangnet, M.D., had expressed his intent not to be nominated for re-election as a director for another term, the Nomination and Remuneration Committee therefore proposed Mr. Chairat Panthuraamphorn, M.D. to be nominated as the substituting director.

**Board's Opinion:** The Board of Directors, excluding the related directors, agrees to the recommendation of the Nomination and Remuneration Committee and is of the opinion that the shareholders should re-elect the 4 directors who retire by rotation namely, Professor Emeritus Santasiri Sornmani, M.D., Mr.Chavalit Sethameteekul, Mr.Att Thongtang and Mr. Arsa Sarasin as directors for another term, and elect Mr. Chairat Panthuraamphorn, M.D. as the director for the vacant position.

The directors who are nominated as the independent directors are qualified as definition of the Company's Independent Director and in line with the eligibility criteria of the Capital Market Supervisory Board.

Furthermore, the Company had provided the shareholders an opportunity to nominate qualified candidates without any prohibited characteristics for the director election in accordance with the criteria and nomination procedure as disclosed on the Company's website during 1 December 2018 – 14 January 2019. No shareholders nominated any person.

#### **Item 5 To consider approving the directors' remuneration**

**Objective and Reason:** The Nomination and Remuneration Committee has considered various factors including the increase of accountability and responsibility of Company's directors, comparing with the companies of the same size with the Company, the increase of Company's revenue and net profit, details as shown below:

(Unit: Million Baht)

| <b>Consolidated Income Statements</b>                  | <b>2018</b> | <b>2017</b> | <b>2016</b> |
|--------------------------------------------------------|-------------|-------------|-------------|
| Revenue from hospital operations                       | 75,331      | 69,123      | 65,237      |
| <i>Growth rate</i>                                     | 9.0%        | 6.0         | 8.3         |
| Total Revenue                                          | 79,407      | 75,719      | 69,126      |
| <i>Growth rate</i>                                     | 4.9%        | 9.5%        | 8.2%        |
| Net profit attributed to equity holders of the Company | 9,191       | 10,216      | 8,386       |
| <i>Net profit margin</i>                               | 11.6%       | 13.5%       | 12.1%       |
| <b><u>Benefit to shareholders</u></b>                  |             |             |             |
| Dividend (Baht per share)                              | 0.32*       | 0.36        | 0.29        |
| Number of directors (persons)                          | 14          | 13          | 14          |

*Remark: \* The dividend payment is subjected to the approval of the 2019 AGM*

Board's Opinion: The Board of Directors agrees to the recommendation of the Nomination and Remuneration Committee and is of the opinion that the shareholders should approve the remuneration of the Company's directors and sub-committees as follows.

1. Remuneration of the Company's directors

- 1.1 Director's Remuneration: at Baht 79.4 Million, this shall be allocated by the Board among themselves. The Company has determined the guidelines for calculating the remuneration of the Company directors, at the rate of 0.1 % of total revenue from the consolidated financial statements of the Year 2018.
- 1.2 Meeting Allowance (same as the previous year)
  - Chairman of the Board Baht 75,000 per meeting
  - Director (each) Baht 50,000 per meeting
- 1.3 Director's Medical Expense: Baht 3,000,000/person/year (for outside directors who are not the executives or employees under employment contract of the Company, and the treatment at Bangkok Hospital and its affiliated hospitals only)

As of 28 February 2019, there are 8 outside directors who are not the executives or employees under employment contract of the Company, namely, Professor Emeritus Arun Pausawasdi, M.D., Professor Emeritus Santasiri Sornmani, M.D., Mr. Chavalit Sethameteekul, Mr. Weerawong Chittmittrapap, Mr. Kan Trakulhoon, Mr. Arsa Sarasin, Mr. Thongchai Jiralongkorn and Mr. Puttipong Prasarttong-Osoth

2. Meeting Allowance of sub-committees

The meeting allowance for the Audit Committee, Executive Committee, Nomination and Remuneration Committee and Risk Management Committee is proposed at the same rate as the previous year as follows:

| (Baht/Meeting)                        |          |                 |
|---------------------------------------|----------|-----------------|
| Sub-Committee                         | Chairman | Director (each) |
| Audit Committee                       | 105,000  | 70,000          |
| Executive Committee                   | 90,000   | 60,000          |
| Nomination and Remuneration Committee | 75,000   | 50,000          |
| Risk Management Committee             | 75,000   | 50,000          |
| Corporate Governance Committee        | 75,000   | 50,000          |

**Item 6 To consider appointing the auditor for 2019 and fixing the audit fee**

Objective and Reason: Pursuant to the Public Limited Companies Act B.E. 2535 and Article 29 of the Company's Articles of Association which state that the General Meeting of Shareholders shall appoint auditor and fix the audit fee every year, the

Audit Committee proposed the auditors from EY Office Limited to be appointed as the Company's auditors for 2019

Board's Opinion: The Board of Directors agrees to the recommendation of the Audit Committee and is of the opinion that shareholders should appoint the following auditors from EY Office Limited as the Company's auditors for 2019, names as shown below;

| List of Auditors to be Appointed  | CPA License No. | Years of Service |
|-----------------------------------|-----------------|------------------|
| 1. Mr. Wichart Lokatekrawee       | 4451            | 2018             |
| 2. Ms. Kamontip Lertwitworatep    | 4377            | 2016-2017        |
| 3. Ms. Siriwan Suratepin          | 4604            | -                |
| 4. Mrs. Sarinda Hirunprasurtwutti | 4799            | -                |

The Board also proposes that the shareholders approve the audit fee for the year 2019 in the amount of 2.45 million baht, increasing from the previous year by 10 percent due to the increased work volume from the expansion of the Company's business and a change of accounting standards. Moreover, the audit fee has been maintained for the past 3 years. Details of the audit fee are as follow:

(Unit : Baht)

| Audit fee /year (Baht) | 2019      | 2018      | 2017      |
|------------------------|-----------|-----------|-----------|
| Quarterly (3 quarters) | 1,047,000 | 957,000   | 957,000   |
| Annual fee             | 1,403,000 | 1,283,000 | 1,283,000 |
| Total audit fee        | 2,450,000 | 2,240,000 | 2,240,000 |

The auditors of the Company and subsidiaries are from EY Office Limited. The nominated auditors and the auditors' firm have no relationship and/or conflict of interests with the Company, associates, subsidiaries, executives, major shareholders or related persons of the aforesaid parties. Therefore, they are independent in auditing and providing their professional opinion on the financial statements.

**Item 7 To consider other matters (if any)**

Please be informed accordingly.

Yours faithfully,

Signed by Narumol Noi-am  
(Mrs. Narumol Noi-am)  
Acting President  
Chief Financial Officer