



**BDMS**  
Bangkok Dusit Medical Services  
ทะเบียนเลขที่ 0107537000025

บริษัท กรุงเทพดุสิตเวชการ จำกัด (มหาชน)  
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Dated 28 September 2016

Subject : Notification on the Asset Acquisition of Bangkok Dusit Medical Services Public Company Limited

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”)**

The Board of Directors’ Meeting No. 9/2016 of Bangkok Dusit Medical Services Public Company Limited (the “**Company**”) convened on 28 September 2016 has passed the following material resolutions

1. Approved the Company and/or its subsidiary entering into the transaction to acquire the land in the NaiLert Park project area located at No. 2 Wireless Rd., Lumpini Sub-District, Pathumwan District, Bangkok, with the total area of approximately 15 rai and Swiss Hotel Park Nai Lert, the Promenade building, and other buildings on the land from Mrs. Sanhagit Sombatsiri and Mrs. Bilabhan Sombatsiri (Collectively referred to as the “**Sellers**”) in order to develop the holistic service medical center project (BDMS Wellness Clinic). In this regard, the Sellers are not the connected person of the Company. The entering into of the transaction considered as a Type 2 asset acquisition transaction, namely, a transaction with the value equivalent to 15 percent or higher but lower than 50 percent in accordance with the Notification of the Capital Market Subsidiary Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and 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 and Disposition of Assets B.E. 2547 (2004). Consequently, the Company is required to disclose the Information Memorandum on the entering into of the transaction to the Stock Exchange of Thailand and deliver the circular to the shareholders within the period of 21 days from the date on which the Information Memorandum is disclosed to the Stock Exchange of Thailand. The details of the Information Memorandum on the Asset Acquisition of the Company are set out in the Enclosure.

Thailand



Overseas



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2. Approved the Company to set up a wholly-owned subsidiary under the name of BDMS Wellness Clinic Company Limited with registered capital of Baht 6,400 million to purchase and acquire land and buildings to operate BDMS Wellness Clinic.

Please be informed accordingly.

Yours Sincerely,

**Bangkok Dusit Medical Services Public Company Limited**

Signed by Mrs. Narumol Noi-am

(Mrs. Narumol Noi-am)

Chief Financial Officer

**Information Memorandum on the Asset Acquisition of  
Bangkok Dusit Medical Services Public Company Limited**

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Reference is made to the fact that Board of Directors' Meeting No. 9/2016 of Bangkok Dusit Medical Services Public Company Limited (the "**Company**") convened on 28 September 2016 has resolved to approve the Company and/or its subsidiaries entering into the transaction to acquire land and buildings from Mrs. Sanhapit Sombatsiri and Mrs. Bilaibhan Sombatsiri (Collectively referred to as the "**Seller**") in order to develop the holistic service medical center project (BDMS Wellness Clinic). In this regard, the Seller is not a connected person of the Company. The entering into of the transaction constitutes an asset acquisition transaction in accordance with the Notification of the Capital Market Subsidiary Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets and 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 and Disposition of Assets B.E. 2547 (2004) (collectively, the "**Notifications on Acquisition or Disposal Transactions**").

The Company hereby informs of the details on the transaction as follows:

**1. Transaction Date**

On 28 September 2016, the Company entered into the Agreement to Purchase and to Sell Land and Buildings with the Seller who is not a connected person of the Company. The land is located at No. 2 Wireless Rd., Lumpini Sub-District, Pathumwan District, Bangkok, whereby the land is identified under a title deed, with the total area of approximately 15 rai, and the structures located on the land, including the properties which are the related component parts of the buildings and structures, public utility systems, system works, assets, equipment, and facilities (the "**Land and Buildings**") with the Seller. The Company anticipates that after all conditions precedent specified in the related agreements have been satisfied, the Company would accept the transfer of ownership of the Land and Buildings around the second quarter of 2017.

**2. Name of Contractual Party and its Relationship with the Company**

Buyer: Bangkok Dusit Medical Services Public Company Limited or its subsidiary

Seller: Mrs. Sanhapit Sombatsiri and Mrs. Bilaibhan Sombatsiri, the owners of the Land and Buildings

Relationship: The Seller is not a connected person of the Company

### 3. General Characteristics of the Transaction and Transaction Value

#### 3.1 General Characteristics

The Company entered into the Agreement to Purchase and to Sell with the Seller on 28 September 2016 (the “**Agreement to Purchase and to Sell**”) to establish conditions and agreements on the purchase and acceptance of transfer of ownership of the Land and Buildings from the Seller in order to be used for the business operation of the Company Group, by developing the Land and Buildings into the holistic service medical center (BDMS Wellness Clinic).

The details on the subject matters of conditions and agreements on the purchase and acceptance of transfer of ownership of the Land and Buildings from the Seller are set out in the enclosure of this Information Memorandum.

#### 3.2 Transaction Type and Transaction Value

The consideration for the purchase of the Land and Buildings from the Seller under the Agreement to Purchase and to Sell will total approximately Baht 10,800 million. After the acceptance of transfer of ownership of the Land and Buildings from the Seller, the Company will fix the budgets for investment and development of its assets in order to use in the project to develop the holistic service medical center (BDMS Wellness Clinic) at approximately Baht 2,000 million, resulting in the total transaction value of Baht 12,800 million which constitutes an asset acquisition transaction in accordance with the Notifications on Acquisition or Disposal Transactions. The maximum transaction value is equivalent to 12.5 percent calculated by using the total value of the consideration based on the Company’s Consolidated Statement of its Financial Position ending 30 June 2016. The details on the calculation of the transaction value are set out as follows:

$$\frac{(\text{Value of Land and Buildings} + \text{Budgets for investment}) \times 100}{\text{Total Asset Value of the Company as of 30 June 2016}} = \frac{(10,800 + 2,000) \times 100}{102,142} = 12.5\%$$

| Calculation Method              | Formula                                                                           | Transaction Value |
|---------------------------------|-----------------------------------------------------------------------------------|-------------------|
| 1. Net Tangible Asset (NTA)     | Cannot be calculated as it is a Land and Buildings acquisition.                   | -                 |
| 2. Net Profit                   | Cannot be calculated as it is a Land and Buildings acquisition.                   | -                 |
| 3. Total Value of Consideration | Amount paid or received / Total assets of the Company<br>(12,800 x 100) / 102,142 | 12.5 percent      |
| 4. Value of Capital Shares      | Cannot be calculated as there is no issuance of shares.                           | -                 |

In this regard, during the period of the past six months, the Company has acquired assets for the total value of approximately Baht 4,168 million equivalent to the transaction size of 4.1 percent (comprising of (1) the acquisition of shares Bangkok Helicopter Services Co., Ltd. according to the notification submitted to the Stock Exchange of Thailand (the “**Stock Exchange**”) on 27 April 2016 for Baht 43 million, (2) the acquisition of medical equipment and building improvement for the normal business operation of the group company for Baht 3,142 million and (3) the acquisition of the land and building in Soi Soonvijai for the normal business operation for Baht 983 million). After accumulating such transactions with the transaction to acquire the Land and Buildings, the total transaction value will be equivalent to 16.7 percent.

As a result, such transaction is considered as a Type 2 asset acquisition transaction, namely, a transaction with the value equivalent to 15 percent or higher but lower than 50 percent under the Notifications on Acquisition or Disposal Transactions. Consequently, the Company is required to disclose the Information Memorandum on the entering into of the transaction to the Stock Exchange and deliver the circular to the shareholders within the period of 21 days from the date on which the Information Memorandum is filed with the Stock Exchange.

#### **4. Details of the asset to be acquired**

The Land and Buildings which the Company will purchase and accept transfer of ownership from the Seller under the Agreement to Purchase and Sell are detailed as follows:

1. The land in the NaiLert Park project area is located at No. 2 Wireless Rd., Lumpini Sub-District, Pathumwan District, Bangkok, with the total area of approximately 15 rai (at present, the land is utilized for the Swiss Hotel Park Nai Lert and the Promenade office building);
2. All buildings and structures located on the land which are (1) a six-floor hotel with the area of approximately 40,300 square meters, (The Company has to transfer some parts of building located in the land which will not be sold to the owner within 3 years after the transfer date, having area of approximately 28,600 square meters), (2) a twelve-floor Promenade Office Building with the area of approximately 31,000 square meters, and (3) a one-floor building used for a staff cafeteria with the area of approximately 400 square meters;
3. Properties which are the related component parts of the buildings and structures, public utility systems, system works, assets, equipment, and facilities.

#### **5. Total value of consideration**

The total value of the consideration is composed of the purchase price under the Agreement to Purchase and Sell and the budget for investment and development of assets as follows:

(Translation)

- 5.1 Baht 10,800 million as the purchase price of the Land and Buildings under the Agreement to Purchase and Sell, provided that the Company has made the payment to the Seller for the deposit specified in the Agreement to Purchase and Sell of Baht 1,080 million on 28 September 2016, whereby the remaining amount will be paid on the date of acceptance of transfer of ownership of the Land and Buildings around the second quarter of 2017;
- 5.2 The budget for investment and development of assets for the business operation of BDMS Wellness Clinic is approximately Baht 2,000 million.

## **6. The value of the assets to be acquired**

- 6.1 The total value of the Land and Buildings is Baht 11,323 million in accordance with the appraisal report dated 26 September 2016, prepared by CBRE (Thailand) Company Limited who is the asset valuer for public purposes, recognized by the Office of the Securities and Exchange Commission by using the Market Approach for the evaluation of land and the Depreciated Replacement Cost Approach for the evaluation of structures.
- 6.2 The budget for investment and development of assets for the business operation of BDMS Wellness Clinic was evaluated from the project development plan of the Company which is considered as the related material for calculating the transaction value in accordance with the guidelines of the Capital Market Supervisory Board and Stock Exchange.

## **7. Concepts and details of the project and the benefits that the Company expects to receive**

The Company intends to develop the acquired land and buildings into BDMS Wellness Clinic, which will provide holistic wellness service with the goal of improving physical and mental health of its visitors. The Company believes that BDMS Wellness Clinic will receive a positive feedback and will be successful due to the following reasons:

1. The health-conscious mega trend is becoming much more prevalent throughout the world, especially with health related services such as Preventive Medicine, Anti-aging and Longevity. This is evidenced by the increasing awareness in areas such as nutrition and supplements, exercises, and preventive medicines. This trend is also apparent in the Company's current business where we witness increasing demand for services related to such areas.
2. Currently, there are few medical service centers that provide this kind of holistic healthcare and wellness services with leading players located in Europe and North America and BDMS Wellness Clinic will be the first in Asia. We believe that we will be able to leverage our expertise and medical resources, including our qualified medical personnel, research and development program, as well as our collaborations with world-leading medical institutions, together with the world-renowned Thai hospitality, to create a unique and competitive business offering to both Thai and international visitors.

3. With its famed attribute as an urban oasis conveniently located amidst the central business district of Bangkok, the land plot is ideal for BDMS Wellness Clinic. We believe that it has the relaxing atmosphere most suited to health and wellness concept and also offers the right combination of attractiveness and convenience to visitors and leading physicians alike.

We expect that we will receive the following benefits from this transaction

1. The Company will be able to expand its operations and capture the business opportunities created by increasing demand in Preventive Medicine, Longevity and Anti-aging areas.
2. The development of a holistic service medical center project focused on Preventive Medicine, Longevity and Anti-aging goes in line with the Company's strategies, which focus on horizontal growth and aim to cover all aspects of medical services from medical treatment, pharmaceutical business, medical laboratory, as well as health & wellness.
3. BDMS Wellness Clinic will be the first of its kind in Asia. We believe that it will help enhance our reputation and brand recognition globally. Furthermore, BDMS Wellness Clinic will further enhance Thailand's reputation and increase the country's competitiveness as leading provider of healthcare services, which is one of the key areas outlined by the government in its Thailand 4.0 model for economic development.

#### Details of the services in BDMS Wellness Clinic

1. Longevity and Anti-aging, and other related services – The Company will expand its Royal Life Anti-Aging Center, currently operating at the Bangkok Hospital Headquarter, to BDMS Wellness Clinic. This expansion will enable us to utilize our capability to its full potential. At BDMS Wellness Clinic, visitors will receive comprehensive medical check-up and personalized treatment program, performed by a team of physicians who are all specialists in their fields of expertise.
2. Neuroscience and brain health services – With an objective to ensure that our visitors can live their lives to their full potential, our clinic will provide neuroscience and brain related services focusing on medical check-up, analysis, and treatment for Alzheimer's disease and Parkinson's disease; both of which have shown an increasing incidence rate. We intend to develop BDMS Wellness Clinic into a Center of Excellence in this specialty in order to increase our competitiveness and further enhance our leading position in the region.

3. Increase capacity and capability of existing clinics – We intend to expand some of our current clinics under the group to BDMS Wellness Clinic. We expect that the clustering effect from combining various clinical areas will create a better environment that is conducive to the recovery and rejuvenation of our visitors. It will also enhance the capabilities of our various medical clinics such as neuroscience medicine, sport science and exercise clinic, fertility clinic, dental clinic, and skin and aesthetics clinic, all of which will offer premium medical services in response to increasing demands for exceptional services from our visitors.

## **8. Sources of Funds**

The sources of fund are the Company's cash flow, borrowing from financial institution, and/or the issuance of debentures, and/or the issuance of convertible bonds. The borrowing from financial institution and/or the issuance of debentures are not expected to create conditions that affect the right of the shareholders of the Company.

## **9. Conditions Precedent for Entering into the Transaction**

The entering into of the transaction is under the condition that the material conditions specified in the Agreement to Purchase and Sell must be fully satisfied according to the terms and conditions for sale and purchase of the Land and Buildings as detailed in the enclosure of this Information Memorandum. In addition, the Company shall disclose such transaction to the Stock Exchange according to the Notifications on Acquisition or Disposal Transactions and deliver the circular to the shareholders within the period of 21 days from the date on which the Information Memorandum is filed with the Stock Exchange.

## **10. Opinion of the Board of Directors on the entering into of the transaction**

The meeting of the Board of Directors together with the Audit Committee has considered the details proposed by the management and rendered an opinion that the Acquisition of Land and Buildings for the development of the project mentioned above is in line with the business strategy of the Company and will benefit the Company and its shareholders as specified in paragraph 7 of this Information Memorandum.

## **11. Opinion of the Audit Committee and/or directors of the Company which are different from those of the Board of Directors**

After the consideration, the Audit Committee had no opinions which were different from those of the Board of Directors.

**12. Responsibilities of the Board of Directors on the Information in the Documents delivered to the Shareholders**

The Board of Directors has prudently reviewed the information in this Information Memorandum and hereby certifies that the information in this Information Memorandum is correct, complete and accurate and contains no misleading information which may cause misunderstanding or conceal any material fact that should have been informed.

The Company hereby certifies that the information contained in this Information Memorandum is accurate and complete, in all respects.

**Summary of the material terms and conditions under the Agreement to Purchase and to Sell**

- (1) The purchase price of the Land and Buildings is Baht 10,800 million (subject to adjustment according to the actual area of the Land);
- (2) The purchaser agrees to place deposit with the seller on the date of the Agreement to Purchase and to Sell at the amount of Baht 1,080 million;
- (3) The registration for transfer of the Land and Buildings at the land office shall be proceeded within 8 months from the date of the Agreement to Purchase and to Sell;
- (4) The seller shall proceed to separate title deeds and transfer the Land and Buildings to the purchaser without any encumbrances and exploitation by any person.
- (5) Each of the seller and the purchaser agree to be jointly responsible for the transfer fee and the seller agrees to be solely responsible for the relevant taxes and stamp duty;
- (6) The Swiss Hotel Park Nai Lert Building (partial) and the entrance to Witthayu road are located on other plot of land of the seller, therefore, the seller agree to give the right to use the land and the building of the Hotel which are located on the seller's land including the entrance to Witthayu road for a period of 3 years after the transfer of ownership of the Land and Buildings; and
- (7) Upon the lapse of 3 year-period under item (6) above, the seller shall have the right to instruct the purchaser to demolish the Hotel building (for the part located on the seller's land) and handover the land in a good and proper condition to the seller at the purchaser's expenses, or to separate the Hotel building (for the part located on the seller's land which is under the ownership of the seller) from the remaining area at the purchaser's expenses.