



BDMS
Bangkok Dusit Medical Services
ทะเบียนเลขที่ 0107537000025

บริษัท กรุงเทพดุสิตเวชการ จำกัด (มหาชน)
2 ซอยศูนย์วิจัย 7 ถนนเพชรบุรีตัดใหม่
กรุงเทพฯ 10310

Bangkok Dusit Medical Services PLC.
2 Soi Soonvijai 7, New Petchburi Rd.,
Bangkok 10310 Thailand

Tel +66(0)2310-3000 Fax +66(0)2310-3115
Contact Center Tel 1719
www.bangkokhospitalgroup.com

28 February 2018

Subject : Dividend Payment, Change of Dividend Payment Policy and 2018 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 8,440,000,000 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. 2/2018 held on 28 February 2018 passed material resolutions as follows:

1. Change of dividend payment policy from "the dividend shall be paid at minimum 50% of net profit of the separate financial statements" to "the dividend shall be paid at minimum 50% of net profit of the consolidated financial statements". In this regard, a new policy shall be prescribed as follows:

"The Company shall pay a dividend of not less than 50% of the net profit of the consolidated financial statements, depending on the business expansion and capital requirements of the Company each year. The payment must be approved by the shareholders meeting, except for the interim dividend payment which can be approved by the Board of Directors should the Board of Directors consider that the Company has good performance and sufficient liquidity"

A new policy shall be applied to the payment of dividend for 2017 performance which will be proposed to the shareholders at the 2018 Annual General Meeting for approval onwards.

2. 2018 Annual General Meeting of Shareholders was scheduled on 11 April 2018 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.
3. A list of shareholders entitled to attend the 2018 Annual General Meeting of Shareholders and receive dividend was determined on 15 March 2018 (the Record Date) to consider the agenda as follows:

Agenda 1: To consider and certify the minutes of the 2017 Annual General Meeting of Shareholders held on 12 April 2017

Board's Opinion: The shareholders should certify the aforesaid minutes.

Agenda 2: To acknowledge the Company's performance for 2017

Thailand



Overseas



KW

Agenda 3: To consider and approve the Company and its subsidiaries' audited consolidated financial statements for 2017

Board's Opinion: The shareholders should approve the Company and its subsidiaries' audited consolidated financial statements for the year ended 31 December 2017.

Agenda 4: To consider and approve the allocation of profit and dividend payment of 2017

Board's Opinion: The shareholders should approve the allocation of the Company and its subsidiaries' net profit by distributing dividend for 15,490,956,540 shares at the rate of Baht 0.36 per share; divided by the dividend derived from profit under BOI privilege Baht 0.015 per share, and from profit under non-BOI privilege Baht 0.345 per share; totaling Baht 5,576,744,354.40 which is equal to 54.6% of the Company's net profit of the consolidated financial statements. In line with the Company's dividend policy; "the dividend shall be paid at minimum 50% of net profit of the consolidated financial statements".

Since, the Board of Directors' Meeting No. 8/2017 had resolved to paid the interim dividend for the first half of 2017 performance at the rate of Baht 0.13 per share, totaling Baht 2,013,824,350.20 on 28 September 2017. Therefore, the Company shall pay an additional dividend for 2017 performance at Baht 0.23 per share; divided by the dividend derived from profit under BOI privilege Baht 0.015 per share, and from profit under non-BOI privilege Baht 0.215 per share; totaling Baht 3,562,920,004.20. The dividend payment shall be made on 26 April 2018 and subjected to the approval of the AGM 2018.

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

Agenda 5: To consider and approve the re-election of directors who retire by rotation

Board's Opinion: Reference is made to the Company's Articles of Association prescribing that "At every Annual General Meeting of Shareholders, one-third of the directors, or if it is not a multiple of three, then the number nearest to one-third must retire from office. A retiring director is eligible for re-election." At present, the Company has 13 directors, therefore, there are 5 directors retiring at this AGM, namely;

5.1 Prof. Emeritus Arun Pausawasdi, M.D.	Independent Director
5.2 Mr. Chuladej Yossundharakul, M.D.	Director
5.3 Mr. Thongchai Jira-alongkorn	Director
5.4 Miss Poramaporn Prasarttong-osoith, M.D.	Director
5.5 Mr. Kan Trakulhoon	Independent Director

The Board, by the suggestion of the Nomination and Remuneration Committee, which the interested directors are abstained, recommends those 5 directors who retired by rotation, be re-elected for another term.

5.1 Prof. Emeritus Arun Pausawasdi, M.D.	Independent Director
5.2 Mr. Chuladej Yossundharakul, M.D.	Director
5.3 Mr. Thongchai Jira-alongkorn	Director
5.4 Miss Poramaporn Prasarttong-osoith, M.D.	Director
5.5 Mr. Kan Trakulhoon	Independent Director

In addition, the directors who are nominated as the independent directors have qualifications in accordance with the eligibility criteria of the Capital Market Supervisory Board.

KW.

Agenda 6: To consider and approve the remuneration of directors

Board's Opinion: On recommendation of the Nomination and Remuneration Committee which 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 and the number of directors, details as shown below:

(Unit: Million Baht)

	2017	2016	2015 (adjusted)
<u>Consolidated Income Statements</u>			
Revenue from hospital operations	69,123	65,236	60,239
Percentage of changes	6.0%	8.3%	10.9%
Total Revenue	75,719	69,126	63,906
Percentage of changes	9.5%	8.2%	12.2%
Net profit attributable to equity holders of the Company	10,216	8,386	8,021
Net profit margin	13.6%	12.2%	12.6%
<u>Benefit to shareholders</u>			
Dividend (Baht per share)	0.36*	0.29	0.26
Number of directors (person)	13	14	15

* Dividend payment for operational year 2017 is subjected to the approval of the AGM 2018

The Board recommends that the shareholders approve the remuneration of the Company's directors and the directors of sub-committee as follows:

1. Remuneration of the Company's directors

1.1 Director's Remuneration: at Baht 75.7 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 2017.

1.2 Meeting fee (same as 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).

2. Meeting fee of sub-committees

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

In addition, the Board of Directors at the meeting held on 30 August 2017 resolved to appoint the Corporate Governance Committee; therefore, the Board by recommendation of the Nomination and Remuneration Committee proposes the meeting fee for the Corporate Governance Committee equivalent to those of Nomination and Remuneration Committee and Risk Management Committee as follows:

RW

(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

Agenda 7: To consider and appoint the Auditors and audit fee for 2018

Board's Opinion: By recommendation of the Audit Committee, the shareholders should appoint

List of Auditors to be Appointed	CPA License No.	Commencement of Services
Mr. Wichart Lokatekrawee	4451	2011-2015
Ms. Kamontip Lertwitworatep and/or	4377	2016-2017
Ms. Siriwan Suratepin and/or	4604	-
Mrs. Sarinda Hirunprasurtwutti	4799	-

From EY Office Limited as the Company's auditors for 2018 and fix audit fee for the amount of Baht 2,240,000 which is the same rate as the previous year, details as follows:

(Unit : Baht)			
Audit fee /year(Baht)	2018	2017	2016
Quarterly (3 quarters)	957,000	957,000	957,000
Annual fee	1,283,000	1,283,000	1,133,000
Total audit fee	2,240,000	2,240,000	2,090,000

The auditors of the Company and subsidiaries are from EY Office Limited. The nominated auditors 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 opinion on the financial statements.

Agenda 8: To consider and approve the amendment of the Company's Articles of Association

Board's Opinion: The shareholders should approve the amendment of the Company's Articles of Association, Chapter 6: Shareholders' Meeting, Article 30 in order to comply with Section 100 of the Public Limited Companies Act, B.E. 2535 which has been amended by the Order of Head of National Council for Peace and Order No. 21/2017, details as follows:

Current	New
Section 6 Shareholders' Meeting Article 30. Shareholders holding shares amounting to not less than one-fifth (1/5) of the total number of shares wholly sold or not less than twenty-five (25) shareholders holding shares amounting to not less than one-tenth of the total number of shares wholly sold may submit their names and request the board of directors in writing to call for an extraordinary	Section 6 Shareholders' Meeting Article 30. One shareholder or more holding shares amounting to not less than ten percent of the total number of shares sold may submit their names and request the board of directors in writing to call an extraordinary general meeting at any time, provided that, the matters and the reasons of request for calling for such meeting shall be

kw

Current	New
general meeting of shareholders at any time, provided that, the reasons of request for calling for such meeting shall be clearly stated in the said written request. In such an event, the board of directors shall proceed to call for a shareholder meeting to be held within a period of one (1) month from the date of the receipt of such request from the said shareholders.	clearly stated in the said written request. In such event, the board of director shall proceed to call a shareholders meeting to be held within a period of forty five days from the date of the receipt of such request from the said shareholders. If the board of directors does not summons the meeting within the period specified in the first paragraph, the requisitionist, or any other shareholders amounting to the required number, may themselves summon the meeting within forty five days from the expiration of the period specified in the first paragraph. In this case, the shareholders' meeting is deemed being summoned by the board of directors whereby the Company shall bear necessary expense arising out of holding the meeting and facilitate the meeting as appropriate. In the event that, in any shareholders' meeting held by the requisition of the shareholders pursuant to second paragraph, a quorum is not constituted as prescribed in Article 33, the shareholders in the second paragraph, shall jointly be liable to the Company for expense incurred from holding the meeting.

Agenda 9: To consider other matters (if any)

Please be informed accordingly.

Yours faithfully,

Signed by **Narumol Noi-am**
(Mrs Narumol Noi-am)
Chief Financial Officer