



(TRANSLATION)

Ref No. PD 004/2018

Date 9 March, 2018

Subject : Notice of 2018 Annual General Meeting of Shareholders

To : Shareholders

- Enclosures:
1. Copy of the minutes of 2017 Annual General Meeting of Shareholders
  2. Curricula vitae of the persons nominated to be directors in replacement of those who are retired
  3. Company's Articles of Association relating to the Shareholders' Meeting
  4. Criteria and guideline on Nomination and Appointment of Directors
  5. Definition of the Company's Independent Director
  6. Profiles of the proposed auditors for 2018
  7. Profiles of the Independent Directors proposed as proxy for shareholders
  8. Proxy Form B
  9. Map of the Conference room
  10. 2017 Annual Report (CD) and 2017 Sustainability Report (CD)

NOTICE is hereby given that the 2018 Annual General Meeting of Shareholders of Bangkok Dusit Medical Services Public Company Limited ("**the Company**") be held on 11 April 2018 at 13:30 hours at His Royal Highness Crown Prince Maha Vajiralongkorn Ballroom, 3<sup>rd</sup> floor, Royal Golden Jubilee Building, Soi Soonvijai (Soi Petchburi 47), New Petchburi Road, Bangkok, to consider the agendas as follows:

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

Board's Opinion: The shareholders should certify the aforesaid minutes, a copy of which is attached hereto as Enclosure 1.

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

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

Board's Opinion: By recommendation of the Audit Committee, the shareholder should approve the Company and its subsidiaries' audited consolidated financial statements for the year ended 31 December 2017. The summary of Company's financial status and performance during the year 2017 are as follows:

**Summary of Consolidated Income Statement**

(Unit: Million Baht)	2017	2016	Change
Total revenue	75,719	69,126	9.5%
Cost of hospital operations and goods sold	47,975	45,277	6.0%
Administrative expenses	14,488	13,644	6.2%
Net profit excluding non-recurring items	8,021	8,220	(2.4)%
Net Profit attributed to the Company's equity holders	10,216	8,386	21.8%

### Summary of Consolidated Financial Position Statement

(Unit: Million Baht)	2017	2016	Change
Cash and cash equivalent	5,091	4,217	20.7%
Trade and other receivables	6,940	6,257	10.9%
Property, premises & equipment	71,559	56,461	26.7%
<b>Total assets</b>	<b>122,627</b>	<b>107,015</b>	<b>14.6%</b>
Total liabilities	56,756	48,710	16.5%
Total shareholders' equity	65,871	58,305	13.0%
<b>Total liabilities and shareholders' equity</b>	<b>122,627</b>	<b>106,939</b>	<b>14.7%</b>

Details are as shown in the Company's Annual Report for the year 2017 which was delivered to the shareholders together with this Notice in Enclosure 10.

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

**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 into 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; totalling Baht 5,576,744,354.40 which is equal to 54.6% of the Company's net profit of the consolidated financial statements and in line with the Company's dividend policy; "the dividend shall be paid at minimum 50% of net profit of the consolidated financial statements".

The Board of Directors' meeting no. 8/2017 had resolved to pay the interim dividend for the first half of 2017 performance at the rate of Baht 0.13 per share totalling Baht 2,013,824,350.20 on 28 September 2017, therefore the Company shall pay a final dividend for 2017 performance at Baht 0.23 per share; divided into 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; totalling Baht 3,562,920,004.20. The dividend payment shall be made on 26 April 2018.

Details of Dividend Payment (Consolidated Financial Statements)	2017	2016	2015 (restated)
Net Profit attributed to the Company's equity holders (million Baht)	10,216	8,386	8,021
Basic earnings per share (Baht/share)	0.66	0.54	0.52
Issued and Paid up shares (million shares)	15,491	15,491	15,491
Dividend allocation (Baht/share)	<b>0.36</b>	<b>0.29</b>	<b>0.26</b>
- Interim dividend	<b>0.13</b>	0.10	
- Final dividend	<b>0.23</b>	0.19	
Total approximate amount of dividends payment (million Baht)	5,577	4,492	4,028
Proportion of dividend to Company's profit	54.6%	53.6%	50.2%



However, such dividend payment is subjected to the approval of the AGM 2018. And 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.

**Agenda item 5: To consider and approve the election of directors in replacement of those 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 must retire from office. Consequently, there are 5 directors retiring at this AGM, namely;

5.1 Professor 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-osoth, M.D.	Director
5.5 Mr. Kan Trakulhoon	Independent Director

The Board and the Nomination and Remuneration Committee, excluding the related directors, consider that these 5 directors possess the skills, experience and expertise and have participated in making decisions and recommendations that are of great benefit to the operation of the Company and subsidiaries. Therefore, it is considered as appropriate to re-elect those 5 directors, names as shown below, for another term.

5.1 Professor 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-osoth, M.D.	Director
5.5 Mr. Kan Trakulhoon	Independent Director

Profile, experience, years of services and the number of meeting attendance of the 5 nominated directors are set out in Enclosure 2 and the Criteria and Guidelines on the nomination of directors are set out in Enclosure 4, all of the above was delivered to all shareholders together with the Notice of the Meeting.

Professor Emeritus Arun Pausawasdi, M.D. and Mr. Kan Trakulhoon, the directors who were 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. They have never been an executive or professional consultant or a business relationship with Company or its subsidiaries, which may cause the conflict of interest. (The definition of the Company's Independent Director as set out in Enclosure 5). As for the nomination of Professor Emeritus Arun Pausawasdi, M.D. who has been in the position for more than 9 years, the Board of Directors and the Nomination and Remuneration Committee consider that during the term of office Professor Emeritus Arun Chaosawat can express his opinion independently from the management, and in accordance with the relevant rules.

Furthermore, the Company had provided the shareholders an opportunity to nominate qualified candidates without any prohibited characteristics for election as the Company's directors in accordance with the criteria and nomination procedure as disclosed on the Company's website during 1 December 2017 – 15 January 2018. No shareholders nominated any person.

## Agenda item 6: To consider and approve the directors' remuneration

**Board's Opinion:** By 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, details as shown below:

(Unit: Million Baht)

Consolidated Income Statements	2017	2016	2015 (restated)
Revenue from hospital operations	69,123	65,237	60,240
Growth rate	6.0	8.3	10.9
Total Revenue	75,719	69,126	63,906
Growth rate	9.5%	8.2%	12.2%
Net profit attributed to equity holders of the Company	10,216	8,386	8,021
Net profit margin	13.5%	12.1%	12.6%
<b>Benefit to shareholders</b>			
Dividend (Baht per share)	0.36*	0.29	0.26
Number of directors (persons)	13	14	15

Remark: \* The dividend payment is subjected to the approval of the 2018 AGM

Therefore, the Board recommends that the shareholders approve the remuneration of the Company's directors and sub-committees as follows.

### 1. Remuneration of the Company's directors

(Unit : Baht)

Details	Proposed to 2018 AGM	2017 AGM	2016 AGM
<b>1.1 Directors' remuneration</b> (total)	75.7 million*	69.1 million	63.9 million
<b>1.2 Meeting allowance</b>			
Chairman	75,000 per meeting	75,000 per meeting	75,000 per meeting
Director (each)	50,000 per meeting	50,000 per meeting	50,000 per meeting
<b>1.3 Medical Expense</b> (For outside directors who are not the executives or employees under employment contract of the Company, and the treatment at Bangkok Hospital and affiliated hospitals only)	3 million per person per year** (from 2018AGM to 2019 AGM)		

**Remark:** \* Director's Remuneration shall be allocated 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 according to the consolidated financial statements of the Year 2017.



*\*\* As of 9 March 2018, there are 6 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, and Mr. Thongchai Jira-alongkorn*

**2. Sub-committees' remuneration:** Audit committee, Executive Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee shall receive remuneration in form of meeting allowances as follows:

(Unit: Baht/Meeting)	Proposed to 2018 AGM	2017 AGM	2016 AGM
<b>2.1 Audit committee</b>			
Chairman	105,000	105,000	105,000
Member (each)	70,000	70,000	70,000
<b>2.2 Executive Committee</b>			
Chairman	90,000	90,000	90,000
Member (each)	60,000	60,000	60,000
<b>2.3 Nomination and Remuneration Committee</b>			
Chairman	75,000	75,000	75,000
Member (each)	50,000	50,000	50,000
<b>2.4 Risk Management Committee</b>			
Chairman	75,000	75,000	
Member (each)	50,000	50,000	
<b>2.5 Corporate Governance Committee*</b>			
Chairman	75,000		
Member (each)	50,000		

*Remark: \* The Corporate Governance Committee has been set up according to the resolution of the Board of Directors at the meeting no 8/2017 held on 30 August 2017.*

**Agenda item 7: To consider and appoint the auditors for 2018 and affix audit remuneration**

**Board's Opinion:** By recommendation of the Audit Committee which has selected the auditors based on the following criteria;

1. Knowledge, capability and experience of the auditors;
2. Number of personnel and experience of the team;
3. Reasonable fees;
4. Independency of the auditors and their audit firm, as not being the persons who have relationship and/or conflicts of interest with the Company, the subsidiaries, the Management, major shareholders or the related persons of the aforesaid persons

The Board recommends that the shareholders appoint the following auditors from EY Office Limited as the Company's auditors for 2018, names as shown below;

List of Auditors to be Appointed	CPA License No.	Years of Service
1. Mr. Wichart Lokatekrawee	4451	2011-2015
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 2018 audit fee for the amount of Baht 2.24 million, which is the same rate as the previous year, details of the audit fee are as follow:

(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 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. Profiles of the proposed auditors for 2018 are set out in Enclosure 6.

**Agenda item 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:

Existing	New Clause
<p><b>Section 6 Shareholders' Meeting</b></p> <p><b>Article 30.</b> 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 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</p>	<p><b>Section 6 Shareholders' Meeting</b></p> <p><b>Article 30.</b> One shareholder or more holding shares amounting to not less than ten per cent 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 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.</p>



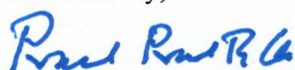
Existing	New Clause
the date of the receipt of such request from the said shareholders.	<p>If the board of directors does not summons the meeting within the period specified in the first paragraph, the requisitionist, or any other shareholders amounting to the required number, may themselves summon the 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.</p> <p>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.</p>

**Agenda item 9: To consider other matters (if any)**

A list of shareholders entitled to attend the 2018 Annual General Meeting of Shareholders and receive dividend shall be determined on 15 March 2018 (the Record Date).

You are therefore invited to attend the Meeting on the date and at the time and place above. Any shareholder wishes to appoint a proxy to attend and vote on his(her) behalf, please complete the attached proxy form (Enclosure 8) and submit it to the Company before attending the Meeting.

Yours sincerely,



(Mr. Prasert Prasarttong-Osoth, M.D.)  
Chief Executive Officer and President

Company Secretary Office  
Tel. 02- 310-3109, 02-310-3879, 02-310-3258