

(Translation)

**Minutes of the Extraordinary General Meeting of Shareholders No. 1/2011**

**Bangkok Dusit Medical Services Public Company Limited**

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**Date, time and place**

The Meeting was held on 24<sup>th</sup> February 2011 at 13.00 hours at the conference room, 7<sup>th</sup> Floor, Bangkok Rehabilitation Building, Bangkok Hospital, No. 2 Soi Soonvijai 7, New Petburi Road, Bangkok, Huay Kwang, Bangkok.

**Directors present:**

1. Prof. (Honorary) Arun Pausawasdi, M.D. Chairman and Independent Director
2. Mr. Prasert Prasarthong-Osoth, M.D. Chief Executive Officer and President
3. Mr. Pongsak Viddyakorn, M.D. Director
4. Mr. Wallop Adhikomprapa Director
5. Mr. Pradit Theekakul Director
6. Mr. Chirothana Sucharto, M.D. Director
7. Mr. Chuladej Yossundharakul, M.D. Director
8. Prof. (Honorary) Santasiri Sornmani, M.D. Independent Director and Chairman of Audit Committee
9. Mr. Chatree Duangnet, M.D. Director
10. Mr. Thavattvong Thanasumitra Director
11. Dr. Somchai Sujjapongse Independent Director and member of Audit Committee
12. Mr. Sripop Sarasas Independent Director and member of Audit Committee

**Management present:**

1. Mrs. Narumol Noi-Am Chief Financial Officer
2. Ms. Kessara Wongkate Assistant Vice President and Company Secretary
3. Mrs. Supatai Chungchareon Assistant Vice President
4. Mrs. Wannapa Pavavech Corporate Accounting Director
5. Ms. Ajaya Intaraprasong Finance Director

**Financial advisor present: Phatra Securities Public Company Limited**

1. Mr. Trairak Tengtrirat Managing Director and Head of Investment Banking & Equity Capital
2. Mr. Supachoke Supabundit Assistant Managing Director Investment Banking & Equity Capital

**Independent financial advisor present: Advisory Plus Co., Ltd.**

1. Mr. Prasert Patradhilok President
2. Mrs. Nisaporn Reukaram Managing Director

**Legal advisor present: Allen & Overy (Thailand) Co., Ltd.**

1. Mr. Arkrapol Pichedvanichok Partner

**Auditor present: Ernst and Young Office Company Limited**

1. Mr. Ruth Chaowanakawee Managing Director
2. Mr. Narong Puntawong Partner

**Preliminary proceedings**

Professor (Honorary) Arun Pausawasdi, M.D., Chairman of the Board of Directors, acted as the Chairman of the meeting. The Chairman reported that 479 shareholders attended the Meeting in person and by proxies, holding a total of 767,003,717 shares, equal to 61.55 percent of the Company's issued and paid up shares (there being 1,246,035,935 outstanding shares in the Company). A quorum was thus established in accordance to the Company's Articles of Association.

The Chairman then introduced members of the Company's Board of Directors and the participants who were the representatives of Phatra Securities Public Company Limited, Advisory Plus Co., Ltd. and Allen & Overy (Thailand) Co., Ltd. which were the Company's financial advisors and legal advisor, respectively, in respect of the entry into the entire business transfer between the Company and Health Network Public Company Limited (**Health Network**), which would be considered in Agendas 2-7, along with the Company's auditor from Ernst and Young Office Company Limited.

The Chairman described in detail, the procedures for casting votes as follows:

- Except for Agenda 1 and Agenda 8 which needed to be certified by the meeting, when counting the votes, the Company shall subtract negative votes and abstentions from total votes cast; and
- Shareholders who wish to cast negative vote or abstention on any agenda should mark the ballot paper given out upon registration for the meeting. The Company shall subtract total negative votes and abstentions from total votes cast by shareholders present and entitled to vote. The remaining votes shall be considered as affirmative votes for each agenda. However, in the case where no other negative votes, abstentions or others comments, the agenda shall be considered as unanimously approval.

After having explained the procedures for casting votes, the Chairman proceeded with the meeting as follows.

**Agenda 1: Certification of minutes of the Annual General Meeting of Shareholders 2010, held on 1<sup>st</sup> April 2010**

The Chairman proposed certification of minutes of the Annual General Meeting of Shareholders 2010, held on 1<sup>st</sup> April 2010, a copy of which was sent to each shareholder together with notice of the meeting.

**Resolution** Having considered the minutes, the meeting certified the minutes of the Annual General Meeting of Shareholders 2010, held on 1<sup>st</sup> April 2010.

(836,065,850 affirmative votes (99.90%), 858,500 negative votes (0.10%) and 80,000 abstentions (0.01%))

**Agenda 2: Consideration and Approval of the Company's entry into the entire business transfer with Health Network Public Company Limited**

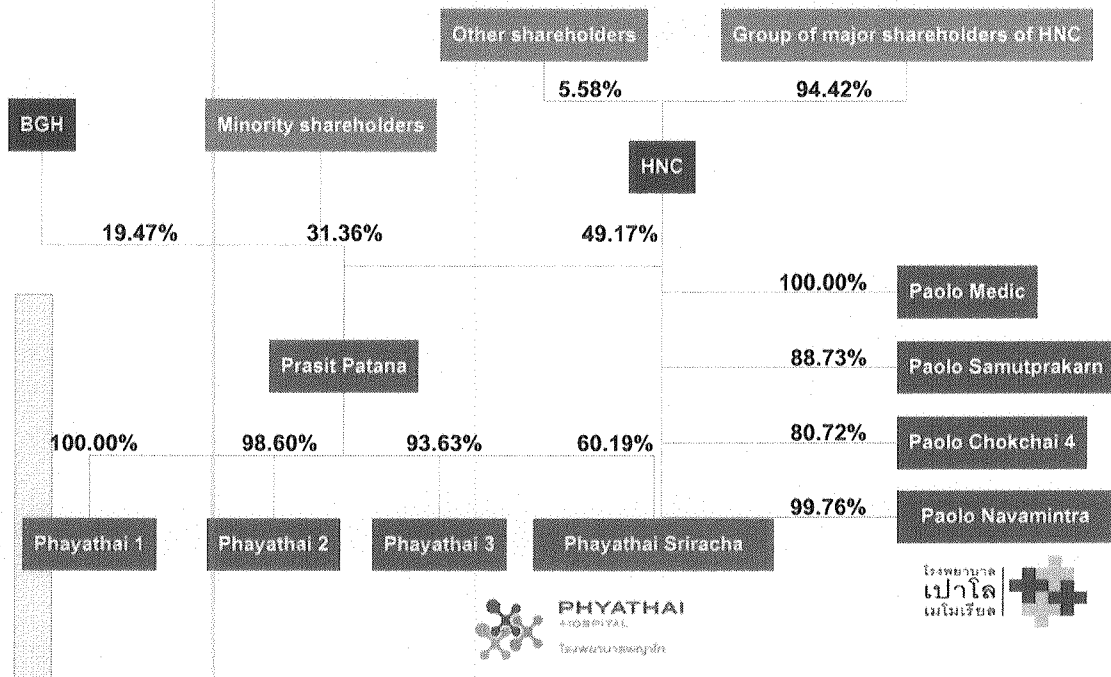
The Chairman proposed consideration and approval of the Company's entry into the entire business transfer (**Entire Business Transfer**) with Health Network, for which the Company would pay the total consideration of not more than Baht 9,825,357,789.

The Chairman also proposed that Mr. Prasert Prasarthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., be authorised to consider, deal with, negotiate on, agree with, enter into and/or amend a memorandum of understanding, agreement or any documents for or in connection with the Entire Business Transfer and to do any acts and things necessary for the completion of the above transaction. Furthermore, the approval of the Entire Business Transfer was considered a purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies under section 107 of the Public Limited Companies Act B.E. 2535 (1992) (as amended) (**PLCA**), the acquisition of assets and the connected party transaction. The Audit Committee of the Company did not have a view different from that of the Board of Directors.

The Chairman invited Mrs. Narumol Noi-Am, Chief Financial Officer and the Financial Advisor, to describe the details and substance of the Entire Business Transfer which consisted of the details of the business, assets and obligations to be transferred to the Company and the consideration for the Entire Business Transfer, for the meeting's consideration.

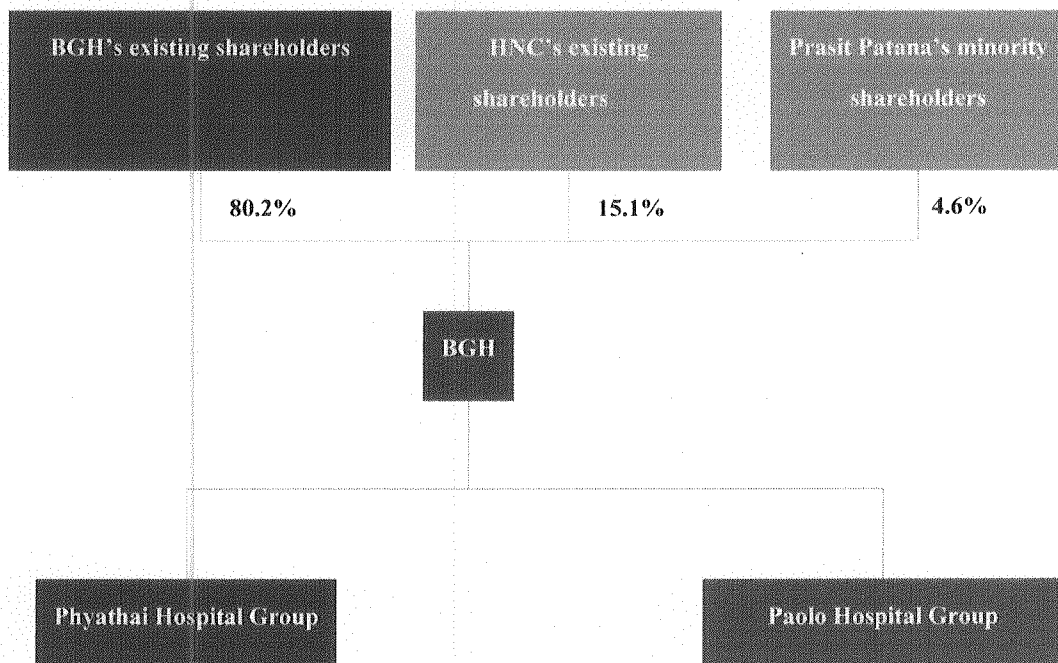
The Chief Financial Officer described the shareholding structure of Health Network prior to and after the transaction and the details of the Entire Business Transfer in summary as follows.

**Shareholding structure of Health Network prior to the Entire Business Transfer**



**Shareholding structure of Health Network after the Entire Business Transfer**

**(in the circumstance where all minority shareholders of PYT accepted the tender offers)**



The Chief Financial Officer summarised the key details of the Entire Business Transfer as follows.

The Company would enter into the merger with Health Network (the Phyathai Hospital Group<sup>1</sup> and the Paolo Memorial Hospital Group<sup>2</sup>, both of which were hereinafter collectively referred to as the **Health Network Group**), by acquiring and accepting the transfer of the entire business of Health Network or the **Entire Business Transfer**, for which the Company would pay the total consideration of not more than Baht 9,825,357,789 in the form of 230,870,405 new ordinary shares to be issued by the Company at a price of Baht 37.75 per share for an aggregate amount of Baht 8,715,357,789 and not more than Baht 680,000,000 in cash, including accepting from Health Network its obligations to pay the principal and accrued and unpaid interest in the amount of not more than Baht 430,000,000 under the loan agreement between Health Network (as debtor) and Paolo Medic Company Limited (as creditor). The businesses, assets and obligations to be transferred and the consideration for the Entire Business Transfer were as follows:

- a) 1,151,171,044 shares in Prasit Patana Public Company Limited (**Prasit Patana**), which were equal to 49.17 percent of its total issued shares. Payment of those shares by the Company would be Baht 4,272,785,694 and would be made in the form of 113,186,376 new ordinary shares to be issued by the Company with a par value of Baht 1 each, while the price of the Company's new ordinary shares was fixed at Baht 37.75 per share. Prasit Patana currently holds shares in the members of the Phyathai Hospital Group as of 1 February 2011 as follows:
- 18,099,454 shares in Phyathai 1 Hospital Company Limited, which were equal to 100.00 per cent of its registered capital;
  - 22,196,960 shares in Phyathai 2 Hospital Company Limited, which were equal to 98.60 per cent of its registered capital;
  - 8,607,355 shares in Phyathai 3 Hospital Company Limited, which were equal to 93.63 per cent of its registered capital; and
  - 21,639,480 shares in Sriracha Nakhon Hospital Public Company Limited, which were equal to 60.19 percent of its total issued shares.
- b) Shares in the Paolo Memorial Hospital Group. Payment of the Paolo Memorial Hospital Group shares by the Company would not be more than Baht 5,552,572,095 and would be made in the form of (i) 117,684,029 new ordinary shares to be issued by the Company with a par value of Baht 1 each, while the price of the Company's new ordinary shares was fixed at Baht 37.75 per share, totalling to an amount of Baht 4,442,572,095 and (ii) a cash consideration of not more than Baht 680,000,000, including the acceptance from Health Network of its obligations to pay principal and accrued and unpaid interest in the amount of not more than Baht 430,000,000 under the loan agreement between Health Network (as debtor) and Paolo Medic Company Limited (as creditor). Details of shares in the Paolo Memorial Hospital Group as of 1 February 2011 were as follows:
- 29,999,980 shares in Paolo Medic Company Limited, which were equal to 100.00 per cent of its registered capital. Payment of those shares by the Company would be made in the form of (i) 44,726,781 new ordinary shares to be issued by the

<sup>1</sup> **The Phyathai Hospital Group**, which has Prasit Pattana Public Company Limited as the major shareholder, consists of Phyathai 1 Hospital Company Limited, Phyathai 2 Hospital Company Limited, Phyathai 3 Hospital Company Limited and Sriracha Nakhon Hospital Public Company Limited.

<sup>2</sup> **The Paolo Memorial Hospital Group** consists of Paolo Medic Hospital Company Limited (Paolo Memorial Hospital, Phaholyothin), Paolo Samutprakarn Company Limited (Paolo Memorial Hospital, Samutprakarn), Siam Medical Company Limited (Paolo Memorial Hospital, Chokchai 4) and Thai Medical Centre Public Company Limited (Paolo Memorial Hospital, Nawamin).

Company with a par value of Baht 1 each, while the price of the Company's new ordinary shares was fixed at Baht 37.75 per share, totalling to an amount of Baht 1,688,435,983 and (ii) a cash consideration of not more than Baht 680,000,000, including the acceptance from Health Network of its obligations to pay principal and accrued and unpaid interests in the amount of not more than Baht 430,000,000 under the loan agreement between Health Network (as debtor) and Paolo Medic Company Limited (as creditor);

- 7,453,584 shares in Paolo Samutprakarn Company Limited, which were equal to 88.73 per cent. of its registered capital. Payment of those shares by the Company would be made in the form of 40,771,501 new ordinary shares to be issued by the Company with a par value of Baht 1 each, while the price of the Company's new ordinary shares was fixed at Baht 37.75 per share totalling to an amount of Baht 1,539,124,163;
  - 8,072,028 shares in Siam Medical Company Limited, which were equal to 80.72 per cent. of its registered capital. Payment of those shares by the Company would be made in the form of 17,881,111 new ordinary shares to be issued by the Company with a par value of Baht 1 each, while the price of the Company's new ordinary shares was fixed at Baht 37.75 per share, totalling to an amount of Baht 675,011,940; and
  - 200,050,706 shares in Thai Medical Centre Public Company Limited, which were equal to 99.76 per cent. of its total issued shares. Payment of those shares by the Company would be made in the form of 14,304,636 new ordinary shares issued by the Company with a par value of Baht 1 each, while the price of the Company's new ordinary shares was fixed at Baht 37.75 per share, totaling to an amount of Baht 540,000,009; and
- c) Other assets owned by Health Network, in addition to those specified in (a) and (b), which would be assessed based on their net asset value. Payment of those assets by the Company would be made in cash of up to Baht 1,000,000.

The Entire Business Transfer would occur only after the conditions specified by the Company and the relevant parties have been satisfied. That includes the following conditions:

- (a) The shareholders' meeting of the Company has approved the Entire Business Transfer, the capital increase, the issuance and allocation of new ordinary shares and other related transactions;
- (b) The Company has obtained approval from the Office of the Securities and Exchange Commission (the **Office of SEC**) and the Stock Exchange of Thailand (**SET**) and its registration statement and draft prospectus become effective if the Company's new ordinary shares were offered as an alternative consideration to Prasit Pattana's minority shareholders in relation to the Company's tender offer for the purchase of total shares in Prasit Patana after the Entire Business Transfer was completed;
- (c) There was no event which causes a material adverse effect on the financial condition, assets, operations and prospects of the Company and its subsidiaries or Health Network Group from 1 October 2010 to the date on which the Entire Business Transfer was completed; and
- (d) There were no events or changes to any applicable laws or regulations which may preclude the lawful execution of the Entire Business Transfer or there was no change in the law or

regulation relating to the Entire Business Transfer, which has a material impact on the tax privileges of Health Network and its group of major shareholders.

Mr. Prasert Prasarthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., was authorised to consider, deal with, negotiate on, agree with, enter into and/or amend a memorandum of understanding, agreement or any documents for or in connection with the Entire Business Transfer and to do any acts and things necessary for the completion of the above transaction.

The transaction value of the Entire Business Transfer (calculated in combination with the value of a tender offer to purchase all shares in Prasit Patana under Agenda 3 below) assessed based on the total amount of consideration, was equal to 40.15 per cent (calculated from the consolidated financial statements as of 30 September 2010), which was the largest transaction size according to the calculation criteria prescribed in the applicable Notification regarding the Acquisition and Disposal of Assets. Therefore, this transaction fell within Category 2 under the Notification of the Capital Market Supervisory Board Re: Rules for Entering into Substantial Transactions within the Definition of an Acquisition or Disposal of Assets (**Acquisition or Disposal Rule**). However, approval from shareholders was not required.

Furthermore, the Entire Business Transfer and the offering of the Company's new ordinary shares to the group of major shareholders of Health Network (which would be discussed in Agenda 6) were considered connected party transactions pursuant to the Notification of the Capital Market Supervisory Board regarding Rules for Entering into Connected Party Transaction (**Connected Transaction Rule**) as Health Network and its major shareholders who would be nominated as directors of the Company were deemed connected persons of the Company. Moreover, the value of both transactions, assessed based on the total amount of consideration according to the consolidated financial statements as of 30 September 2010, was equal to 72.93 percent of the net value of the tangible assets of the Company which was larger than 3 percent of the net value of the tangible assets of the Company. Therefore, this transaction fell within the category of connected party transactions under the Connected Transaction Rule. In light of the transaction value, the Company has the duty to report and disclose the information to the Office of SEC and seek the approval from the meeting of shareholders for the entering into Entire Business Transfer. Furthermore, this transaction was considered a purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies under section 107 of the PLCA which required that the purchase or acceptance of transfer must be approved by not less than three-fourth of all the votes of shareholders present and entitled to vote.

#### **Summary of reasons and benefits of entering into the Entire Business Transaction**

1. The merger between BGH and HNC would enhance the ability of being the largest hospital group operator in Thailand and enhance the leadership in Asia
  - The number of hospitals: increasing from the current 19 to 47 hospitals or equals to 42 percent;
  - The number of structured beds: increasing from the current 3,127 beds to 4,901 beds, or equals to 57 percent; and
  - The market value of BGH: increasing from the pre-merger market value of Baht 47,040 million to Baht 58,637 million at Baht 37.75 per share, and Baht 83,101 million, assessed based on current market price (approximately Baht 53 per share).
2. The expansion of business operation and the wider coverage of service through widely accepted hospital brand
3. The merger would establish the synergies among hospitals within the group, including administrative centralisation, i.e.

- the procurement of medicine, medical supplies and medical equipment;
- supporting units/departments, i.e. laboratory, accounting and information technology;
- intra-group referral of patients; and
- expansion of customer base and accesses to new groups of customers such as social security patients and public servant patients.

Mr. Hangshai Akkawassakul, a shareholder, said that he was, at present, a shareholder of both the Company and Prasit Patana and he viewed that the transaction would benefit to the shareholders of both companies and that it would strengthen the competitiveness of domestic private hospital business to the international level.

Mr. Sakchai Sakulsrimontree, a shareholder, inquired whether the entering into the Entire Business Transfer would result in the benefit or loss of the account and in which quarter the transaction would be recorded.

The Chief Financial Officer explained that the Company would be able to recognise the business profits of HNC after the completion of the transaction which was expected to take place in the middle of April 2011, and the transaction should increase the profit of BGH by approximately 40-45 percent, and the profit per share should increase approximately 20 percent after the completion of the transaction.

Mr. Supot Auachailerskul, a proxy of Thai Investors Association, inquired further explanation relating to the profit and loss of the account from the transaction and as Prasit Patana had retained losses at present, and whether the Company could utilise such retained losses.

Phatra Securities Public Company Limited, the Financial Advisor, explained as follow.

1. In executing the transaction, the Company would issue new shares at a price higher than a book value as part of the consideration for the Entire Business Transfer. After the completion of the transaction, there would be the goodwill with the value of approximately Baht 8,800 million appearing in the balance sheet of the Company but would not have an immediate effect to the profit and loss of the account.
2. The retained losses of Prasit Patana would not directly affect BGH. But in the case where Prasit Patana had profit in the future, the Company would be able to utilise such retained losses for a certain period of time. Consequently, this would result in the reduction of the effective rate of the corporate income tax of the companies within the group.

Mr. Supot Auachailerskul, a proxy of Thai Investors Association, further inquired whether the expected increase of income of the Company, as reported by the management, already recognised the income from Bumrungrad Hospital Public Company Limited (**Bumrungrad**) in which the Company had invested in 11 percent of Bumrungrad's total issued shares, and whether the Company could recognise the profit from such investment, including future investment plans of the Company. In addition, Mr. Supot also inquired about the Company's policy relating to the business and human resources management of Health Network group after the completion of the transaction.

The Chief Financial Officer explained that, in order to recognise the revenue of the invested business, the Company must hold at least 50 percent of shares, and in order to recognise the profit in the invested business, the Company must hold more than 20 percent of shares. The Company had



invested only 11 percent of shares in Bumrungrad . Therefore, the Company would not be able to recognise neither the revenue nor the profit from such investment.

In respect of the management of Health Network after the completion of the transaction, the Chief Financial Officer explained that the Company currently had no plan to change the management structure or personnel. The current management team would still be in charge. In addition, the policy would be set by the Company and the Company would appoint directors to involve in the management of Health Network Group.

In respect of the investment plan, the President had asked the shareholder to raise the inquiry in the related Agenda so that it would not affect the consideration of this agenda.

Mr. Pittaya Vejviboonsom, M.D., a shareholder, inquired whether the price of the Alpha Lab had been included in the purchase price of the transaction, and suggested that the Company should adjust the management policy after the completion of the merger.

The Chief Financial Officer explained that the Alpha Lab was one of the units, the price of which was included in the purchase price of the transaction.

The President explained about the management policy after the completion of the merger that, after the meeting approved this transaction, the Company would have to undertake certain procedures with the Office of SEC for a period of approximately 1 month, which was expected to be completed in April. After that the Company would manage Health Network Group companies as it deem appropriate.

The shareholder further inquired whether or not the Company intends to reduce the registered capital of Prasit Patana in order to eliminate the retained losses.

The Chief Financial Officer explained that the Company had not currently considered the reduction of the registered capital but it would consider the relevant information after the completion of the merger.

Phatra Securities Public Company Limited, the Financial Advisor, further explained that the Company would have a period of 2-3 years in order to utilise the retained losses of Prasit Patana after the completion of the transaction, and such action should be beneficial to the shareholders of BGH. Currently, the Company could not undertake any actions but after the shareholders approved the transaction, the Company would study the relevant information and further consider the matter.

The shareholder inquired whether the Company would change the names of the Health Network Group hospitals after the merger.

The President declared that the Company had no policy on that matter.

The Chairman asked if any other shareholders would wish to comment. As no further comments were made, the Chairman then requested the meeting to vote on the proposal to approve the Company's entry into the Entire Business Transfer with Health Network, by acquiring and accepting the transfer of the entire business, assets and debts of Health Network, for which the Company would pay the total consideration of not more than Baht 9,825,357,789 in the form of new ordinary shares to be issued by the Company and cash, including accepting from Health Network its obligations to pay the principal and accrued and unpaid interest in the amount of not more than Baht

430,000,000 under the loan agreement between Health Network (as debtor) and Paolo Medic Company Limited (as creditor), and to approve the purchase and acceptance of the transfer of other assets of Health Network (excluding the shares of Prasit Patana and Paolo Memorial Hospital Group) which would be assessed based on their net asset values. Payment of these assets by the Company would be made in cash of up to Baht 1,000,000. This transaction was considered the purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies under section 107 of the PLCA, the acquisition of assets and the connected party transaction. The Chairman also proposed that Mr. Prasert Prasarthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., be authorised to consider, deal with, negotiate on, agree with, enter into and/or amend a memorandum of understanding, agreement or any documents for or in connection with the Entire Business Transfer and to do any acts and things necessary for the completion of the above transaction per details proposed above in all respects.

The Chairman reminded the meeting that in counting the votes, the Company would collect the ballot papers and count only negative votes and abstentions only, and that all remaining votes would be considered as affirmative votes.

**Resolution**

Having considered the matter, the meeting approved the Company to enter into the Entire Business Transfer, for which the Company would pay the total consideration of not more than Baht 9,825,357,789 in the form of 230,870,405 new ordinary shares to be issued by the Company at a price of Baht 37.75 per share for an aggregate amount of Baht 8,715,357,789 and not more than Baht 680,000,000 in cash, including accepting from Health Network its obligations to pay the principal and accrued and unpaid interest in the amount of not more than Baht 430,000,000 under the loan agreement between Health Network (as debtor) and Paolo Medic Company Limited (as creditor) as well as the purchase and acceptance of transfer of other assets owned by Health Network (excluding the shares of Prasit Patana and Paolo Memorial Hospital Group) which would be assessed based on their net asset values. Payment of these assets by the Company would be made in cash of up to Baht 1,000,000. This transaction was considered the purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies under section 107 of the PLCA, the acquisition of assets and the connected party transaction. Mr. Prasert Prasarthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., was authorised to consider, deal with, negotiate on, agree with, enter into and/or amend a memorandum of understanding, agreement or any documents for or in connection with the Entire Business Transfer and to do any acts and things necessary for the completion of the above transaction, having details as proposed above in all respects.

(965,959,264 affirmative votes (99.80%), no negative votes and 1,894,973 abstentions (0.20%))

**Agenda 3: Consideration and approval of the entry into a tender offer to purchase all shares in Prasit Patana Public Company Limited**

The Chairman proposed that the Board of Directors agreed to propose to the meeting to consider and approve the Company's entry into a tender offer to purchase all shares in Prasit Patana, including the authorisation of Mr. Prasert Prasarthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., to consider, deal with, negotiate on, agree with, enter into and/or amend agreement or any documents for or in connection with the tender offer to purchase all shares in Prasit Patana including the determination of consideration to be paid in such tender offer or any other procedures to be taken according to the laws and regulations, and to do any acts and things necessary for the completion of the above transactions. The approval of this transaction was considered the purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies under section 107 of the PLCA and the acquisition of assets.

As the agenda was a subsequent event from Agenda 2 the Chairman therefore invited Mrs. Narumol Noi-Am, Chief Financial Officer, to describe the details to the shareholders.

The Chief Financial Officer had described the relevant details to shareholders which could be summarised as follow.

After the Entire Business Transfer was completed, the Company would hold more than 50 percent of the total issued shares in Prasit Patana. Therefore, the Company was obligated to make a mandatory tender offer pursuant to the Notification of the Securities and Exchange Commission Re: Securities Acquisition for Business Takeover. If the Company was required to make such tender offer, in respect of the consideration to be paid in the tender offer to minority shareholders of Prasit Patana, such consideration could be:

1. in form of cash in the amount of Baht 3.71 per share (which was the same price as the price at which the Company purchases the shares of Prasit Patana as part of the Entire Business Transfer under Agenda 2 above); or
2. the Company may provide two alternatives of consideration for minority shareholders of Prasit Patana to select: (i) the consideration in the form of cash in the amount of Baht 3.71 per share (which was the same price as the price at which the Company purchases the shares of Prasit Patana as part of the Entire Business Transfer under Agenda 2 above) or (ii) the consideration in the form of the Company's new ordinary shares at the price of Baht 37.75 per share (which was the same as the price of the Company's new ordinary shares to be offered and issued to Health Network's group of major shareholders under Agenda 6 below). In this connection, the Company must authorize and offer its 72,198,801 new ordinary shares to the minority shareholders of Prasit Patana, having an aggregate value of not more than Baht 2,725,504,738, at the ratio of 10.1706 Prasit Patana shares to 1 new ordinary share of the Company.

However, the Company would have a duty to proceed with the tender offer only after (i) its shareholders' meeting resolved to approve the Entire Business Transfer, (ii) the Entire Business Transfer was successfully completed and/or (iii) the Company obtained approval from the Office of the SEC to offer its new ordinary shares to the minority shareholders of Prasit Patana and the Company's registration statement and draft prospectus for its share offering became effective (if required).

In addition, it was proposed that Mr. Prasert Prasartthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., be authorised to consider, deal with, negotiate on, agree with, enter into and/or amend agreement or any documents for or in connection with the tender offer to purchase all shares in Prasit Patana (including the determination of consideration to be paid in such tender offer, whether to be paid in the form of cash, or provide two alternatives of consideration as detailed above), as well as to prepare a tender offer document, to file an application for public offering of new shares and to prepare a registration statement and draft prospectus (if required) or to do any relevant acts in accordance with applicable rules and regulations of the SEC, the Office of the SEC, the Capital Market Supervisory Board and the SET and other applicable rules and regulations and to do any acts and things necessary for the completion of the above transactions.

The transaction value of the tender offer for all shares in Prasit Patana (calculated in combination with the value of the Entire Business Transfer under Agenda 2 above) fell within Category 2 under the Acquisition or Disposal Rule whereby the Company had to prepare a report and disclosure to the SET and had sent a disclosure to shareholders within the prescribed time period (but approval from shareholders was not required). However, in order to comply with Section 107 of the PLCA, the Company had the obligations to complete certain procedures including the approval from the meeting of shareholders not less than three-fourth of all the votes of shareholders present and entitled to vote.

A shareholder requested for addition explanation as to the alternatives of consideration to be paid in the tender offer.

The Chief Financial Officer explained to the meeting that the Company may provide two alternatives of consideration for minority shareholders of Prasit Patana to select: (i) the consideration in the form of cash in the amount of Baht 3.71 per share, which was the same price as the price at which the Company purchases the shares of Prasit Patana as part of the Entire Business Transfer under Agenda 2 above or (ii) the consideration in the form of the Company's new ordinary shares at the price of Baht 37.75 per share, which was the same as the price of the Company's new ordinary shares to be offered and issued to Health Network's group of major shareholders. If the minority shareholders of Prasit Patana accepted the offer by choosing the cash consideration, the Company would not issue new ordinary shares as described above. But if the minority shareholders chose to the share consideration, the Company would issue new ordinary at the price of Baht 37.75 per share or equal to 10.1706 shares of Prasit Patana to 1 share of BGH.

The Chairman gave an opportunity for the Meeting to ask questions. As no further questions were made, the Chairman then requested the meeting to vote on the proposal to approve the Company's entry into a tender offer to purchase all shares in Prasit Patana (if required), which was considered the purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies and the acquisitions of assets per details proposed above in all respects.

#### **Resolution**

Having considered the matter, the meeting approved the Company's entry into a tender offer to purchase all shares in Prasit Patana. If the Company was required to make such tender offer, in respect of the consideration to be paid in the tender offer to minority shareholders of Prasit Patana, the consideration may be in the form of cash in the amount of Baht 3.71 per share (which was the same price as the price at which the Company purchases the shares of Prasit Patana as part of the Entire Business Transfer under Agenda 2 above) or the Company may provide two alternatives of consideration for minority shareholders of Prasit Patana to select: (i) the consideration in the form of cash in the amount of Baht 3.71 per share (which was the same price as the price at which the Company purchases the shares of Prasit Patana as part of the Entire Business Transfer under Agenda 2 above) or (ii) the consideration in the form of the Company's new ordinary shares at the price of Baht 37.75 per share (which was the same as the price of the Company's new ordinary shares to be offered and issued to Health Network's group of major shareholders under Agenda 6 below). In this connection, the Company must authorise and offer its 72,198,801 new ordinary shares to the minority shareholders of Prasit Patana (having an aggregate value of not more than Baht 2,725,504,738) at the ratio of 10.1706 Prasit Patana shares to 1 new ordinary share of the Company. This transaction was considered the purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies and the acquisition of assets. Furthermore, the meeting approved that Mr. Prasert Prasartthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., be authorised to consider, deal with, negotiate on, agree with, enter into and/or amend agreement or any documents for or in connection with the tender offer to purchase all shares in Prasit Patana including the determination of consideration to be paid in such tender offer, whether to be paid in the form of cash, or provide two alternatives of consideration as detailed above, or to do any relevant acts in accordance with applicable rules and regulations and to do any acts and things necessary for the completion of the above transaction which was considered the purchase or acceptance of transfer, by the Company, of businesses of other companies or private companies and the acquisitions of assets per details proposed above in all respects.

(966,662,951 affirmative votes (99.80%), no negative votes and, 1,894,973 abstentions (0.20%))

**Agenda 4: Consideration and approval of the reduction of the Company's registered capital and the amendment to clause 4 of the Company's Memorandum of Association**

The Chairman proposed the approval of the reduction of the Company's registered capital of Baht 1,312,264,222 to be the new registered capital of Baht 1,246,194,338, consisting of 1,246,194,338 ordinary shares having a par value of Baht 1 each, by cancelling 66,069,884 authorised but unissued shares, and the amendment to clause 4 of the Company's Memorandum of Association to reflect the capital reduction. The Chairman invited Mrs. Narumol Noi-Am, Chief Financial Officer, to describe the details to the meeting.

The Chief Financial Officer informed to the meeting that in July 2006, the Company issued and offered convertible bonds and allocated new ordinary shares to reserve for the exercise of those bonds. As a portion of the convertible bonds has not yet been exercised, there remain 66,069,884 ordinary shares left unissued with a par value of Baht 1 each. Now, the Company wished to increase its registered capital as detailed in Agenda 5 below. To comply with section 136 of the PLCA regarding capital increase, the Company proposed that the meeting consider and approve the following: (i) the reduction of the Company's current registered capital of Baht 1,312,264,222 to be the new registered capital of Baht 1,246,194,338, consisting of 1,246,194,338 ordinary shares having a par value of Baht 1 each, by cancelling 66,069,884 authorised but unissued shares, which were registered shares the Company authorised and allocated for convertible bond conversion that had not been exercised (and there remained 158,403 ordinary shares reserved for the outstanding convertible bonds of 50 units); and (ii) the amendment to clause 4 of the Company's Memorandum of Association to reflect the capital reduction to read as follows.

Clause 4. Registered capital	Baht 1,246,194,338	(Baht one thousand two hundred forty-six million one hundred ninety-four thousand three hundred thirty-eight)
Divided into	1,246,194,338 shares	(One thousand two hundred forty-six million one hundred ninety-four thousand three hundred thirty-eight shares)
With a par value of	Baht 1	(Baht one) each
Categorised into Ordinary shares	1,246,194,338 shares	(One thousand two hundred forty-six million one hundred ninety-four thousand three hundred thirty-eight shares)
Preferred shares	- shares	(-)

The Chairman gave an opportunity for the meeting to ask questions. As no further questions were made, the Chairman then requested the meeting to vote on the proposal to approve the reduction of the Company's registered capital and the amendment to clause 4 of the Company's Memorandum of Association as per details proposed above in all respects.

**Resolution**

Having considered the matter, the meeting approved the reduction of the Company's registered capital of Baht 1,312,264,222 to be the new registered capital of Baht 1,246,194,338 consisting of 1,246,194,338 ordinary shares having a par value of Baht 1 each, by cancelling 66,069,884 authorised but unissued shares and approved the amendment to clause 4 of the Company's Memorandum of Association to reflect the capital reduction as per details proposed above in all respects.

(968,931,850 affirmative votes (99.80%), 30,000 negative votes (0.003%) and 1,894,973 abstentions (0.20%))

**Agenda 5: Consideration and approval of the increase in the Company's registered capital to increase its registered capital amendment to clause 4 of its Memorandum of Association**

The Chairman proposed the approval of the increase in the Company's registered capital by Baht 307,197,070 divided into 307,197,070 ordinary shares having a par value of Baht 1 each from the current registered capital of Baht 1,246,194,338 to be the new registered capital of Baht 1,553,391,408 divided into 1,553,391,408 ordinary shares having a par value of Baht 1 each and approved the amendment to clause 4 of its Memorandum of Association to reflect the capital increase. The Chairman invited Mrs. Narumol Noi-Am, Chief Financial Officer, to describe the relevant details to the meeting.

The Chief Financial Officer informed the meeting that as the meeting approved the transactions proposed in Agendas 2 and 3, this Agenda required the approval of the increase in the Company's registered capital to reserve for the Company's entry into the Entire Business Transfer with Health Network, the allocation of its new ordinary shares on a private placement basis to Health Network's group of major shareholders and the tender offer for the purchase of all shares in Prasit Patana (if required) (to be stated further in Agenda 6).

The Chairman gave an opportunity for the Meeting to ask questions. As no further questions were made, the Chairman then requested the meeting to vote on the proposal to approve the increase in the Company's registered capital and the amendment to clause 4 of the Company's Memorandum of Association.

Clause 4. Registered capital	Baht 1,553,391,408	(Baht one thousand five hundred fifty-three million three hundred ninety-one thousand four hundred and eight)
Divided into	1,553,391,408 shares	(One thousand five hundred fifty-three million three hundred ninety-one thousand four hundred and eight shares)
With a par value of	Baht 1	(Baht one) each
Categorised into		
Ordinary shares	1,553,391,408 shares	(One thousand five hundred fifty-three million three hundred ninety-one thousand four hundred and eight shares)
Preferred shares	- shares	(-)

**Resolution** Having considered the matter, the meeting approved the increase in the Company's registered capital by Baht 307,197,070 divided into 307,197,070 ordinary shares having a par value of Baht 1 each from the current registered capital of Baht 1,246,194,338 to be the new registered capital of Baht 1,553,391,408 divided into 1,553,391,408 ordinary shares having a par value of Baht 1 each and approved the amendment to clause 4 of its Memorandum of Association to reflect the capital increase.

(955,373,224 affirmative votes (98.31%), 14,514,726 negative votes (1.49%) and 1,894,973 abstentions (0.20%))

**Agenda 6: Consideration and approval of the allocation of new ordinary shares**

The Chairman proposed the approval of the allocation of 307,197,070 new ordinary shares and the authorisation of Mr. Prasert Prasartthong-Osoth, M.D. or Mr. Pongsak Viddayakorn, M.D., to consider, deal with, negotiate on, agree with, enter into and/or amend agreement or any documents in relation to the allocation of the said new ordinary shares and to determine the relevant conditions and details, e.g. the offering period and other details and to do any acts and things necessary for the

completion of the above transactions. In this regard, the allocation of the said new ordinary shares on a private placement basis to Health Network's group of major shareholders was considered the connected party transaction (in which the Audit Committee did not have a view different from that of the Board of Directors). The Chief Financial Officer was asked to explain the details of shares allocation to the meeting.

The chief Financial Officer explained that, since the Company would issue new ordinary shares in the amount of 307,197,070 shares, the Company therefore proposed to the meeting to consider and approve the allocation of 307,197,070 new ordinary shares as detailed in Agenda 5 above, having a par value of Baht 1 each as follows:

- a) 230,870,405 new ordinary shares having a par value of Baht 1 each would be allocated to Health Network at the price of Baht 37.75 per share, in consideration of Health Network's transfer of (i) 1,151,171,044 shares in Prasit Patana (or having a value of Baht 4,272,785,694) (ii) 29,999,980 shares in Paolo Medic Company Limited (or having a value of Baht 1,688,435,983) (iii) 7,453,584 shares in Paolo Samutprakarn Company Limited (or having a value of Baht 1,539,124,163) (iv) 8,072,028 shares in Siam Medical Company Limited (or having a value of Baht 675,011,940) and (v) 200,050,706 shares in Thai Medical Centre Public Company Limited (or having a value of Baht 540,000,009), totaling to an amount of Baht 8,715,357,789 (pursuant to the Entire Business Transfer under Agenda 2 above) as payment of the Company's new ordinary shares, instead of payment by cash.

The above share allocation accords to the Company's agreement to purchase Prasit Patana shares and the Paolo Memorial Hospital Group shares from Health Network, as part of the Entire Business Transfer, provided that

- in relation to Prasit Patana's shares, the Company would make payment of Baht 4,272,785,694 in the form of 113,186,376 new ordinary shares to be issued by the Company having a par value of Baht 1 each, while the Company's new ordinary share price was fixed at Baht 37.75 per share; and
- in relation to the Paolo Memorial Hospital Group shares, the Company would make payment of not more than Baht 5,552,572,095 in the form of (i) cash of not more than Baht 680,000,000 and (ii) 117,684,029 new ordinary shares to be issued by the Company with a par value of Baht 1 each, while the Company's share price was fixed at Baht 37.75 per share, totalling to an amount of Baht 4,442,572,095, including the acceptance from Health Network of the principal and accrued and unpaid interest in the amount of not more than Baht 430,000,000 under the loan agreement between Health Network (as debtor) and Paolo Medic Company Limited (as creditor).

The offering price of the Company's new ordinary shares as mentioned above would not be lower than 90 per cent of the Market Price.

In the event that there remained any unsubscribed shares from the allocation in accordance with this Agenda 6(a), Mr. Prasert Prasarthong-Osoth, M.D., the President, or Mr. Pongsak Viddayakorn, M.D., the authorised director of the Company, was hereby authorised to consider and allocate the said new ordinary shares on a private placement basis to Health Network's group of major shareholders at a price of Baht 37.75 per share, which was not lower than 90 percent of the Market Price, and to determine the conditions and details of the allotment of such shares, e.g. the offering period and other relevant details;

- b) Up to 4,127,864 new ordinary shares having a par value of Baht 1 each would be allocated on a private placement basis to Health Network's group of major shareholders at the price of Baht 37.75 per share, which was not lower than 90 percent of the Market Price.

The Company's allocation of its new ordinary shares under the Agenda 6(b) fell within the definition of a connected party transaction under the Connected Transaction Rule. In light of the combined transaction value of this transaction and the Entire Business Transfer, the Company had a duty under that notification to prepare and submit the report and disclose an information memorandum to the SET and to seek shareholders' approval of the Entire Business Transfer and this share allocation transaction; and

- c) Up to 72,198,801 new ordinary shares having a par value of Baht 1 each would be allocated to the minority shareholders of Prasit Patana (in case the Company has a duty to make a tender offer of all Prasit Patana shares) at the price of Baht 37.75 per share at the ratio of 10.1706 Prasit Patana shares to 1 new ordinary share of the Company, so that this would be an alternative of consideration for the tender offer to purchase all shares in Prasit Patana if it was decided that the Company would provide two alternatives of consideration in such tender offer (i.e. cash or new ordinary shares to be issued by the Company) as specified in Agenda 3 above.

The offering price would not be lower than 90 percent of the Market Price.

**Market Price** means the volume weighted average price of the Company's shares traded on the SET 15 consecutive business days preceding the date on which the Board of Directors' meeting resolves to propose the agenda at the Extraordinary General Meeting of Shareholders No. 1/2011 in order to seek approval of the Company's offering of new ordinary shares, i.e. the period from 19 November 2010 to 13 December 2010, which was equal to Baht 38.20 (source: SETSMART – [www.setsmart.com](http://www.setsmart.com) provided by the SET).

Furthermore, it was proposed that Mr. Prasert Prasartthong-Osoth, M.D., or Mr. Pongsak Viddayakorn, M.D., be authorised to consider, deal with, negotiate on, agree with, enter into and/or amend agreements or any other documents for or relating to the share allocation, to determine other relevant terms and details including the offering period, and to undertake any other related acts to ensure that the share allocation was completed. If there remained any unsubscribed shares, the Company would ask the shareholders to consider and approve further allocation.

Mr. Supot Auachailerskul, a proxy of Thai Investors Association, inquired the Company to further explain the details of the allocation of new ordinary shares to minority shareholders of Prasit Patana who would accept the tender offer by the Company, for the understanding of the meeting.

The Chief Financial Officer explained to the Meeting that the Company may provide two alternatives of consideration for minority shareholders of Prasit Patana to select: (i) the consideration in the form of cash or (ii) the consideration in the form of the Company's new ordinary shares. If the minority shareholders accepted the offer by choosing the cash consideration at Baht 3.71 per share, the Company would not have to allocate such new ordinary shares. But if all minority shareholders chose to accept the Company's new ordinary shares, this would result in the dilution to existing shareholders at a maximum level of approximately 19.8 percent.

The Chairman gave an opportunity for the meeting to ask questions. As no further questions were made, the Chairman then requested the meeting to vote.

**Resolution**

Having considered the matter, the meeting approved the allocation of 307,197,070 new ordinary shares having a par value of Baht 1 each as follows:

1. 230,870,405 new ordinary shares having a par value of Baht 1 each would be allocated to Health Network at the price of Baht 37.75 per share, totalling to an amount of Baht 8,715,357,789, in consideration of Health Network's transfer of certain number of its shares in Prasit Patana and in the Paolo Memorial Hospital Group (in relation to the



Entire Business Transfer under Agenda above) as payment of the Company's new ordinary shares, instead of payment by cash. The offering price of the Company's new shares as mentioned above would not be lower than 90 percent of the Market Price;

2. Up to 4,127,864 new ordinary shares having a par value of Baht 1 each would be allocated on a private placement basis to Health Network's group of major shareholders at the price of Baht 37.75 per share, which was not lower than 90 percent of the Market Price which fell within the definition of a connected party transaction under the Connected Transaction Rule; and
3. Up to 72,198,801 new ordinary shares having a par value of Baht 1 each would be allocated to the minority shareholders of Prasit Patana (in case the Company has a duty to make a tender offer of all Prasit Patana shares) at the price of Baht 37.75 per share at the ratio of 10.1706 Prasit Patana shares to 1 new ordinary share of the Company, so that this would be an alternative of consideration for the tender offer to purchase all shares in Prasit Patana if it was decided that the Company would provide two alternatives of consideration in such tender offer (i.e. cash or new ordinary shares to be issued by the Company) as specified in Agenda 3 above.

The Meeting also approved that Mr. Prasert Prasartthong-Osoth, M.D., or Mr. Pongsak Viddayakorn, M.D., be authorised to undertake relevant actions as per details proposed above in all respects.

(955,286,924 affirmative votes (98.30%), 14,601,026 negative votes (1.50%) and 1,894,973 abstentions (0.20%))

**Agenda 7: Consideration and approval of the appointment of new directors of the Company**

The Chairman proposed the consideration and approval of the appointment of 3 new directors which were:

1. Mr. Wichai Thongtang as new director of the Company;
2. Ms. Kananuch Lekwichit as new director of the Company; and
3. Mr. Chawalit Setthmethikul as independent director.

The appointment of the new directors as mentioned above would become effective on 1 April 2011, which was the expected date that the Entire Business Transfer and the offering of the Company's new ordinary shares to Health Network's group of major shareholders would be completed. The profiles and work experience of the such nominated persons had been sent to the shareholders together with the notice of this meeting.

The Chairman invited the Chief Financial Officer to explain the reasons in relation to the appointment of the 3 new directors.

The Chief Financial Officer explained that after Health Network transfers all of its businesses, assets and obligations to the Company and obtains payment of consideration for the Entire Business Transfer, it would register the dissolution and proceed with liquidation, which was expected to occur on the closing date. Health Network's liquidator would transfer various assets owned by Health Network, including not more than 230,870,405 new ordinary shares issued by the Company, to the major shareholders of Health Network. When the Company's new ordinary shares were allocated to Health Network's group of major shareholders as detailed in agenda 6(b) above, those shareholders would become the major shareholders of the Company, i.e. they would hold in aggregate

approximately 15 percent of the total outstanding shares in the Company after the completion of (i) the Entire Business Transfer and the share allocation to Health Network's major shareholders or (ii) the Company's tender offer for the purchase of all shares in Prasit Patana (if required) (as the case may be). Therefore, the Company hereby proposed to the meeting to consider the approval of the appointment of the following candidates who were nominated by a group of major shareholders of Health Network as new directors of the Company:

1. Mr. Wichai Thongtang; and
2. Ms. Kananuch Lekwichit.

In addition, to satisfy the requirements of the Capital Market Supervisory Board regarding the number of independent directors, the Company therefore proposed that the meeting further consider and approve appointing Mr. Chawalit Setthmethikul, whose qualifications met the eligibility criteria of the Capital Market Supervisory Board, to be appointed as independent director of the Company and the selection had been approved by the Nomination and Compensation Committee of the Company.

Mr. Supot Auachailerskul, a proxy of Thai Investors Association, inquired the criteria and procedures concerning the appointment of the new directors and the number of directors according to the Articles of Association of the Company.

Ms. Kessara Wongkate, Assistant Vice President and the Company Secretary, explained that according to the regulations of the Company, the persons nominated to be appointed as directors of the Company must be considered by the Nomination and Compensation Committee of the Company to consider the experience and qualifications of the nominated persons including to ensure that the qualifications of such persons be in accordance with the Company's Articles of Association, the Securities and Exchange Act and the PLCA. As to the person to be nominated as an independent director, such person must have qualifications as specified by the relevant notifications of the Capital Market Supervisory Board. All the 3 nominated persons, which were proposed for the meeting's approval, were considered being qualified according to the above regulations. In relation to the number of the directors, the maximum number of directors had not been specified in the Articles of Association of the Company.

Ms. Wipa Suwanich, a shareholder, suggested that the 3 nominated persons should present their visions toward the business as supporting information for the Meeting's consideration.

The President declared that, since the 3 nominated persons had not yet been appointed as the directors of Company, therefore they could not attend this meeting. However, for the shareholder's consideration, the Company had sent the profiles and work experiences of the 3 nominated persons together with the notice of this meeting. In the case where the meeting approved the appointment of these nominated persons, the new directors would be attending the Annual General Meeting of Shareholder 2011 which would be held in April 2011. The shareholder then may request the new directors to present their visions at that meeting.

The Chairman gave an opportunity for the meeting to ask questions. As no further questions were made, the Chairman then requested the meeting to vote for the appointment of the new directors of the Company, individually, in accordance with the good corporate governance of the Company.

**Resolution**

Having considered the matter, the meeting approved the appointment of Mr. Wichai Thongtang and Ms. Kananuch Lekwichit as the new directors of the Company and Mr. Chawalit Setthmethikul as the independent director of the Company. The appointment of the new directors as mentioned would become effective on 1 April 2011, which was the

expected date the completion of the Entire Business Transfer and the offering of the Company's new ordinary shares to Health Network's group of major shareholders.

**The appointment of Mr. Wichai Thongtang**

(969,247,385 affirmative votes (99.74%), 853,765 negative votes (0.09%) and 1,688,773 abstentions (0.17%))

**The appointment of Ms. Kananuch Lekwichit**

(969,247,385 affirmative votes (99.74%), 853,765 negative votes (0.09%) and 1,688,773 abstentions (0.17%))

**The appointment of Mr. Chawalit Setthmethikul**

(969,247,385 affirmative votes (99.74%), 853,765 negative votes (0.09%) and 1,688,773 abstentions (0.17%))

**Agenda 8: Acknowledgement of an interim dividend payment**

The Chairman declared to the meeting that pursuant to the resolution of the meeting of the Board of Directors (Extraordinary Meeting) No. 2/2010 in relation to an interim dividend payment at the rate of Baht 0.80 per share, totaling Baht 996,828,748, having the Record Date (the date on which a list of shareholders entitled to dividend payment was determined) on 28 December 2010 and the Book Closing Date (the date on which the names of shareholders were gathered in accordance with section 225 of the Securities and Exchange Act, 1992 (as amended)) on 29 December 2010. The Company paid the interim dividends to the shareholders on 12 January 2011. After such interim dividend payment, the Company would not consider to propose the agenda of the payment of dividend at the Annual General Meeting of Shareholders 2011.

Mr. Dhammanoon Jullamaneechote, a proxy of a shareholder, stated that at present the Company had a high level of unallocated profit and the Company tended to have profit per share in 2010 at a level higher than the interim dividend paid. Therefore, he would like to know the reason for the Company of not considering proposing the agenda of the payment of dividend at the Annual General Meeting of Shareholders 2011.

The Chief Financial Officer explained to the meeting that the Company had declared the dividend payment increasingly for the past years. The interim dividend payment at the rate of Baht 0.80 per share was in accordance with the dividend payment policy of the Company which was at the rate of not less than 50 percent of the profits of the financial statements of the Company. The rest of the profit would be reserved for future investment and business expansion.

Ms. Wipa Suwanich, a shareholder, suggested that the Company consider the payment of additional dividend at the Annual General Meeting of Shareholders 2011, which would be held in April 2011. Moreover, if the Company did not intend to pay additional dividend apart from those paid interim dividend, the details of the future project which would use the unallocated profit should be provided.

The Chief Financial Officer explained that, the Company would need to be prepared for loan repayment, business expansion and investing in medical equipment. Therefore, the preparation in respect of the liquidity of the Company for such future investment was necessary.

The Chairman gave an opportunity for the meeting to ask questions. As no further questions were made, the Chairman then requested the meeting to acknowledge the interim dividend payment as detailed above.

**Resolution** Having considered the matter, the meeting acknowledged the interim dividend payment at the rate of Baht 0.80 per share, totaling to the amount of Baht 996,828,748 which was paid to the shareholders on 12 January 2010 as proposed in all respects.

**Agenda 9: Consideration of other matters**

Mr. Dhammanoon Jullamaneechote, a proxy of a shareholder, further inquired about the investment policy in Bumrungrad and whether the Company had any plan in relation to the merger with Bumrungrad in the future. In addition, after the meeting approved the merger with Health Network, in what manner would the directors of the Company involve in the management of Phyathai Hospital Group.

The President explained that, the investment in Bumrungrad was for the purpose of investment only. The Company had not yet have a merger plan. Furthermore, the financial status of the Company must be monitored prior to making any investment and that such investment would not affect the credit rating of the Company.

Ms. Chantira Luesakul, a shareholder, inquired about the free trade policy in ASEAN which would be in effect in 2015 and its potential effect on private hospital business and medical human resources, as well as whether the Company planed to expand its business overseas and what the market share of the Company would be after the merger.

The President clarified the information in relation to the free trade policy in the year 2015 to the meeting, i.e. such policy may affect the domestic medical human resources due to the liberalisation in the mobility of doctors, nurses and dentists among ASEAN countries. The Company was initially prepared to handle that matter and enhanced the strength among the group. The merger with Health Network was considered to be one of the strategies to synergise the strength of the domestic private hospital business. In relation to the overseas investment policy, the Company currently had no policy in doing so. In relation to the market share of the Company, after the merger with Health Network, the Company would have the market share in the private hospital business at approximately of 15 percent in terms of number of available beds for service.

Ms. Wipa Suwanich, a shareholder, further inquired regarding the Company's plans to handle the domestic deficiency of doctors if there was mobility of the doctors to work in countries paying higher compensation.

The President explained that the Company was prepared for handling the matter among the group only.

As no further matters were proposed for consideration, the Chairman thanked all the shareholders for their time, including all suggestions which were useful for the Company, and announced the meeting closed.

The meeting was closed at 15.12 hours

*Signed by* \_\_\_\_\_ *Arun Pausawasdi* \_\_\_\_\_ Chairman of the Meeting

Professor (Honorary) Arun Pausawasdi, M.D.

Minutes taken by  
Ms. Kessara Wongkate  
Company Secretary