



- Translation -

LPH/SET/2017/019

August 11, 2017

To : President

The Stock Exchange of Thailand

The Board of Directors' Meeting of Ladprao General Hospital Public Company Limited (the "Company" or "LPH") No. 4/2017, held on Friday, August 11, 2017 at 10.00 p.m., has passed the resolutions as follows;

1. The Board of Directors No. 4/2017, held on August 11, 2017 (without directors who have conflict of interests) deemed it appropriate to propose to the shareholders' meeting planned to be held within November 2017 for their consideration and approval of the selling one part of Company Investment Property to Ladprao Education Company Limited, the operator of Ladprao Bilingual School ("LBS"), and its parent company, L.P Holding Co., Ltd. at the selling price of Baht 191.50 million within 6 months following the Shareholders' Approval. Thus, the aggregate transaction size is equivalent to 12.76% of net tangible assets of LPH and its subsidiaries based on the reviewed financial statements for the period of six months as of June 30, 2017 constituted under large-size criteria of connected transaction. The Company is required to disclose information and get approval from the shareholders. The audit committee shall appoint independent financial advisor to provide an opinion regarding the reasonable and fairness of the transaction together with the reviewed appraisal reports for such property to the shareholders meeting for their consideration in accordance with the relevant laws and regulation.

The resolution was thus in accordance with the plan and procedure approved by the AGM No.28/2017 held on April 24, 2017 for the price of not less than Baht 190 million.



The resolution was also aimed to maximize Company and its shareholders' benefits with the suggestion for Company to pay attention to adverse social impact on quite a number of students who have on-going studied in the school located on the land proposed to sell. The Company plan to use the consideration receiving from the sale of such investment property to reserve for its expansion projects regarding the committed growth and sustained profitable on such investment to all shareholders as per attached information memorandum regarding the connected transaction.

2. Approved the Company to pay an amount of Baht 13,200,000 to Namchai Property Development Company Limited for the 30-years lease, planned to completely register the leasehold within the 1<sup>st</sup> quarter of 2018, of land totaling 7-0-22.7 rais located on lumlukka district, Patumthani Province. The land purchased is in accordance with the Company announcement for its use of IPO proceeds to build a new hospital (Ladprao-LumLukka Hospital) of 180-registered beds together with the Elderly Care Center of approximately 100-beds capacity. Since the lessor is a juristic person held directly and indirectly totaling 5.64% by one who also holds directly and indirectly of 0.91% in the Company's voting shares. The Company did not commit any connected transaction in the past 6 months. The transaction size is equivalent to 0.88%, exceeding 0.03% but not exceeding to 3.00% of net tangible assets of LPH and its subsidiaries based on the reviewed financial statements for the period of six months as of June 30, 2017. Therefore, it is deemed as a medium-sized connected transaction of which needed to be approved the entering into a transaction by the Board of Directors and required to disclosed to the SET in compliance to the Notification as per attached information memorandum regarding the connected transaction and to report the use of IPO proceed to shareholders accordingly.
3. Approved the Company to proceed its feasibility study for the acquisition of ordinary shares in one profitable and growing private hospital located in the eastern region in accordance with the committed objectives for the use of IPO proceeds and the official economic and investment developing plan for the Country. It has been, however, decided to cease the



**โรงพยาบาลลาดพร้าว**  
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study of one project on Ram Indra area due to the unsatisfied consequences with the  
Company growth strategy.

Please be informed accordingly.

Yours sincerely,

Ladprao General Hospital Public Company Limited

Mr. Vitavas Pirmphol

Deputy Managing Director / The Company Secretary

Authorized to sign on behalf of the Company



ATTACHMENT

Information Memorandum Regarding the Connected Transaction  
on the Sale of Investment Property  
of Ladprao General Hospital Public Company Limited

1. Transaction Date

Within 6 months following the Shareholders' Approval planned to be held within November 2017 which an independent financial advisor must be appointed subject to the governing laws to provide opinion to the shareholders concerning the reasonableness and fairness of transaction.

2. Involved Parties

**Seller** : Ladprao General Public Company Limited ("LPH")

**Purchaser** : Ladprao Education Company Limited, the operator of Ladprao Bilingual School ("LBS"), and its parent company.

**Relationship with LPH** : The purchaser is L.P Holding Co., Ltd ("LPHD") and its subsidiary("LBS").

LPHD is also the major shareholder of LPH. The relationships among parties are as follows:

Shareholders	Holding Shares & Being Director (/) in LPH			Holding Shares & Being Director (/) in LPHD			Holding Shares & Being Director (/) in LBS		
	Being Director	Number of shares	%	Being Director	Number of shares	%	Being Director	Number of shares	%
1. L.P Holding Co., Ltd		202,269,607	26.97	-	-	-		2,912,522	80.90
2.Prof.Dr. Somsak Lolekha	/	7,765,360	1.04	/	309,100	5.62	/	200,009	5.56.
3. Assoc.Prof.Dr.Virat Vongsaengnak	/	3,342,920	0.45	/	120,450	2.19	/	9	0.00
4. Dr.Ungoorn Chantanavanich	/	14,684,848	1.96	/	1,616,802	29.40	/	39,324	1.09
5. Mr.Pipat Savetvilas	/	34,393,684	4.59	/	-	-		-	-
6. Mr.Somchao Tanterdtham	/	1,987,840	0.27	/	-	-		-	-
7. Mrs. Supaporn Kanthamanond	/	6,073,260	0.81	/	103,734	1.89		34,601	0.96

3. General Characteristics of the Transactions and Value of the Transactions

The meeting of LPH Board of Directors No.4/2017 held on August 11, 2017 resolved to propose to the Extraordinary Shareholders Meeting ("Shareholders Meeting") planned to be held within November 2017 to consider the selling of one part of Company Investment Property at the selling price of Baht 191.50 million with details of transaction as follows:-

**Details of Transaction:** The selling of Investment Property comprises:



**Asset Item 1:** Land comprising 23 title deeds located on Soi Ladprao 126, Ladprao Road, PlabplaSubdistrict, Wangthonglang District, Bangkok 10310 with aggregate area of 11-00-1 Rai

**Asset Item 2:** Sport Court (opened-air), situated on some parts of the land described in Asset Item 1.

#### 4. Basis to Determine the Value of Consideration

Criteria used to determine asset selling price is referred to the appraisal of the following 3 independent appraisers:

Name of Appraisal Company	Method of Valuation	Appraisal Value	Date of Valuation
1. Preferred Appraisal Co., Ltd.	Market Approach	Baht189,240,000	8..August, 2017
2. KK Valuation Co., Ltd	Market Approach	Baht189,240,000	8..August, 2017
3. N&A Appraisal Co., LTD	Market Approach	Baht184,842,000	8..August, 2017

**Asset Item 1)** The selling price has been considered based on the approval from the Annual General Shareholders Meeting No. 28/2017 held on April 24, 2017 for the principle and plan to offer the selling price of not less than Baht 190 million. The consideration is based on the highest value appraised and reviewed by three (3) independent appraisers approved by SEC, of which such appraised market values are between Baht 184.84-189.24 million.

**Asset Item 2)** The consideration is based on the book value as of June 30, 2017.

**Value of Total Assets to be sold** : Baht 191.50 million comprising:-

**Asset Item1:** Value of Assets to be sold equals to Baht 190.33 million.  
BV. As of June 30, 2017 was Baht 74.25 million

**Asset Item 2:** Value of Assets to be sold equals to Baht 0.17 million  
BV. As of June 30, 2017 was Baht 0.17 million

#### Sales Condition:

- 1) Land Section 1 totaling approximately 5 Rais shall be purchased by LPHD with its offered to complete purchasing transaction and transference within December 28,2017.
- 2) The other part (Land Section 2) almost 6 Rais shall be sold to LBS within the first quarter of next year (2018) due to the purchaser's request for its funding and capital increasing approval process from relevant official bodies.
- 3) LPH shall take parts of land survey and fix the right legal boundaries for the deeds so as to present to the Shareholders Meeting for their consideration .



## 5. Transaction Size and its consideration

The basis for classes of transaction regarding acquisition and disposal of assets are as follows:

Criteria based on Net Tangible Assets	n/a
Criteria based on Net Profits	n/a
Criteria based on Total Value of Consideration <i>based on the reviewed consolidated financial statements as of June 30, 2017.</i>	<u>Total Value of Consideration x 100</u> Net Tangible Assets of LPH and its Subsidiaries = (191.5 x 100)/(2,076.0-537.76-36.35-1.03) = 12.76%
Criteria based on New Issued Securities	n/a (no new issued securities)

Thus, the aggregate transaction size is equivalent to 12.76% of net tangible assets of LPH and its subsidiaries based on the reviewed financial statements for the period of six months as of June 30, 2017.

## 6. Details and Scope of Interest of Connected Person

L.P. Holding Co., Ltd (“LPHD”), a major shareholder of LPH (having 26.97% of the total number of voting rights), holds majority of 80.90% in Ladprao Education Co.,Ltd (“LBS”), in which exceeds 30% of the total number of voting rights. The relationships among parties involved and the total value of consideration itself exceeded 3.0% of net consolidated tangible assets of LPH. The Company must do the disclosure and seek the approval from shareholders meeting having an opinion from the independent financial advisor according to the announcement of the Capital Market Supervisory Board No.21/2551 regarding the criteria of making connected transaction including additional announcement and according to the announcement of the Stock Exchange of Thailand regarding the revealing of operating data of listed company in connected transaction B.E.2546 including additional announcement. causing the connected transaction.

## 7. Financial plan for using the consideration receiving from the sale of investment property

The Company plan to use the consideration receiving from the sale of such investment property to invest regarding the committed growth strategy for its core business including new capacity with higher profitability derived from the expansion of medical and excellence center, the enhanced ability as well as the acquisition of high-growth potential hospital(s).

## 8. Opinion of the Board of Directors

The Board of Directors No. 4/2017, held on August 11, 2017 (without directors who have conflict of interest as latter described) has considered the aforesaid connected





transaction and deemed it appropriate to approve and propose to the shareholders' meeting for their consideration and approval of the selling since it was in accordance with the plan and procedure approved by the AGM No.28/2017 held on April 24, 2017 for the price of not less than Baht 190 million. The resolution was also aimed to maximize Company and its shareholders' benefits with the suggestion for Company to pay attention to adverse social impact on quite a number of students who have on-going studied in the school located on the land proposed to sell. The Company plan to use the consideration receiving from the sale of such investment property to reserve for its expansion projects regarding the committed growth and sustained profitable on such investment to all shareholders. The details of the connected persons having interests which cannot vote are as follows;

	<b>Connected Persons</b>	<b>Connected Interests</b>
1.	Prof.Dr. Somsak Lolekha	Being Director of LPH , LBS และ LPHD
2.	Assoc.Prof.Dr.Virat Vongsaengnak	Being Director of LPH , LBS และ LPHD
3.	Dr.Ungoorn Chantanavanich	Being Director of LPH , LBS และ LPHD
4.	Mr.Pipat Savetvilas	Being Director of LPH and LPHD
5.	Mr.Somchao Tanterdtham	Being Director of LPH and LPHD
6.	Mrs. Supaporn Kanthamanond	Being Director of LPH and LPHD

The audit committee shall appoint independent financial advisor to provide an opinion regarding the reasonable and fairness of the transaction together with the reviewed appraisal reports for such property to the shareholders meeting for their consideration in accordance with the relevant laws and regulation.

9. **Opinion of the Audit Committee and/or Director of the Company that different from the Board of Directors opinion;**

The Company convened Audit Committee's Meeting No.3/2017 on 11 August 2017 in order to consider such transaction prior to the Board of Directors' Meeting. There were no opinions which were different from those of the Board of Directors.

In addition, at the Board of Directors' Meeting No.4/2017 convened on 11 August 2017, no directors (have any opinions which were different from those of the Board of Directors.

