

No. THG 15/2023

23 February 2023

Subject Entry into the related party transaction (sale of land)

To President

The Stock Exchange of Thailand

Thonburi Healthcare Group Public Company Limited (“THG”) would like to inform that the Board of Directors No. 3/2023 held on 23 February 2023 has resolved to approve selling land under the ownership of Uttaradit Thonburi Hospital Co., Ltd, a subsidiary of THG, in amount of 95.53 million baht. This transaction is considered as a related party transaction according to the Capital Market Supervisory Board Notification No. ThorJor. 21/2551, the details are as follows:

### 1. Date /Month /Year of transaction

Date of transaction: It is expected to be completed for payment and transfer the land within July 2023

Purchaser: Rajapattana Real Estate Co., Ltd. (“RRE”), of which 72.3% of total issued and sold shares held by Vanasin’s family.

Seller: Uttaradit Thonburi Hospital Co., Ltd. (“UTT”) (a subsidiary of THG holding 100% of shares) is engaged in land allocation and real estate development business.

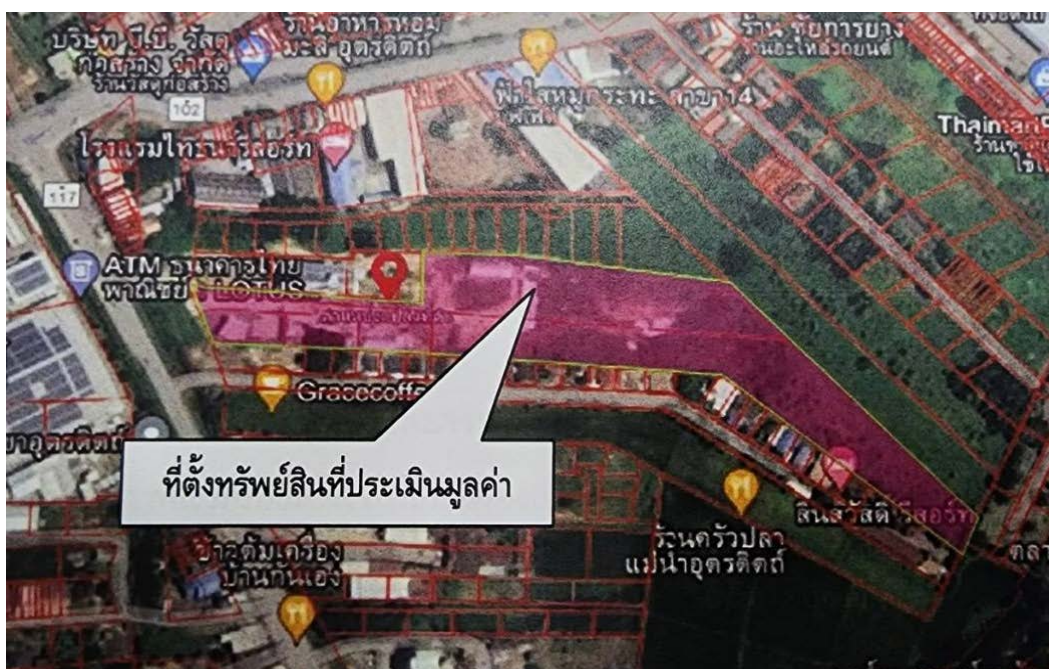
Relationship: Vanasin family is the director and major shareholder of THG and the major shareholder of RRE.

### 2. Type and characteristic of transactions

#### Land Details:

Ownership:	Uttaradit Thonburi Hospital Co., Ltd. (“UTT”)
Location:	Next to Uttaradit-Wang Kaphi Road (ThorLor. 117), Tha It Sub-district, Mueang Uttaradit District, Uttaradit Province
Type of asset:	5 plots of vacant land and 1 plot of road according to the land title deed no. 1216, 90738, 90739, 90740, 90741 and 90742 with total area 5,970.4 square wah or 15-3-70.4 Rai
Appraised Valuation: (By 2 Independent Appraisers)	1) Sims Property Consultants Co., Ltd. appraised valuation in the amount of 84.84 million baht (appraised in August 2022). 2) Threetree Appraisal Co., Ltd. (Former name: Fast and Fair Valuation Co., Ltd.) appraised valuation in the amount of 90.496 million baht (appraised in August 2022). The above both appraisers are on the list of appraisal companies approved by the SEC and are assessed by public objectives.

<p>Selling Price:</p>	<p>95.53 million baht (average price is 6.4 million baht per rai) considering the maximum price for THG to get the most benefits. The fee for transfer of land ownership will be paid half by each party. The specific business taxes, duties and withholding tax, as well as various expenses incurred on the registration date for the transfer of land ownership, the seller will be solely paid.</p>
<p>Payment Term:</p>	<p>1. Purchaser will pay 30% deposit of the total land price to seller in the amount of 28,657,920 baht (Twenty-eight million, six hundred and fifty-seven thousand, nine hundred and twenty baht only). The purchaser will pay the land deposit by March 2023. When the purchaser has already paid the land deposit, the deposit will be considered a part of the payment.</p> <p>2. The remaining 70% in the amount of 66,868,480 baht (Sixty-six million eight hundred and sixty-eight thousand four hundred and eighty baht only) by dividing the payment in 2 installments as follows:</p> <p>(2.1) 1<sup>st</sup> payment: 30% totaling 28,657,920 baht. (Twenty-eight million, six hundred fifty-seven thousand, seven thousand, nine hundred and twenty baht only) will be paid by May 2023.</p> <p>(2.2) 2<sup>nd</sup> payment: The remaining amount 40%, totaling 38,210,560 baht (Thirty-eight million, two hundred and ten thousand-five hundred and sixty baht only) will be paid on the date of registration of land ownership transfer by July 2023.</p> <p>If the buyer defaults on any one installment payment, the buyer agrees to allow the seller to forfeit all the money that has been paid. If the seller breaches the contract, ownership of the land cannot be transferred to the buyer, the seller must return the money received within 15 days without interest to the buyer.</p>



### 3. Total value and criteria used to determine the total value of the entries

#### 3.1 Calculation of transaction value based on connected transaction criteria

The land sale of UTT to RRE is a related party transaction in type of asset and service transaction using the criteria for the maximum value of remuneration, which is the land sales price of 95.53 million baht of which UTT will receive the payment in cash. The determination of purchase price is in accordance with the negotiation and agreement between the purchaser and the seller which is determined from the appraised price from an independent appraiser.

The size of the accumulated transaction for the past 6 months was 68.32 million baht.

The total value of the related party transaction is 163,849,800 baht, representing 1.73% of THG's total net tangible assets, calculated from the consolidated financial statements for the year 2022 ending 31 December 2022 which is considered as a middle size of related party transaction (the value is higher than 0.03% but lower than 3% of the net tangible asset value), therefore, the Company shall procure the Board of Directors of THG to approve this transaction and to disclose information to the Stock Exchange of Thailand.

	As of 31/12/2022
Total Asset	25,047,104,918
<u>Deduct</u> Deferred Income Tax	90,567,095
Intangibles	236,446,092
Goodwill	153,720,223
Total Liabilities	13,892,637,250
Minorities Interest	975,689,155
<u>NTA</u>	<u>9,694,045,103</u>

3.2 The calculation of value according to the acquisition and disposal regulations (calculated based in the financial statements ended 31 December 2022)

Criteria	Calculation	Percent (%)
1. Calculation based on the value of net tangible assets	Not required to comply with the criteria because it is a sale of land	-
2. Calculation based on net operating profits	Not required to comply with the criteria because it is a sale of land	-
3. Calculation based on total value of consideration paid or received	$\frac{\text{Value of transaction paid or received}^* \times 100}{\text{Total assets of listed company}}$ $= \{(95,526,400 + 68,323,400) \times 100\} / 25,047,104,918$	0.65
4. Calculation based on value of equity shares issued for the payment of assets	Not required to comply with the criteria because it is a sale of land	-

Accumulated transaction size for the past 6 months was 68.32 million baht (accumulated during 01/8/2022 – 31/01/2023)

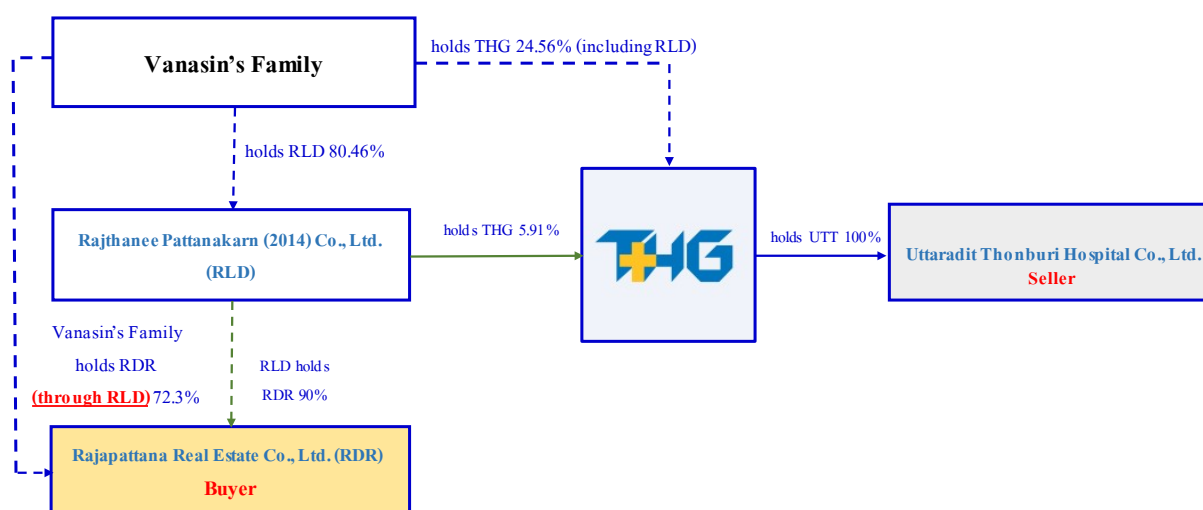
The calculation of the transaction value is derived from the consolidated financial statements for the year 2022 ending 31 December 2022 by considering the total value of consideration is equal to 0.65% of which the transaction size is less than 15%, therefore, such investment does not have to be carried out in accordance with the acquisition and disposal regulations.

#### 4. Connected person and nature of connection

##### Connected Person

1. Mrs. Charuvarn Vanasin is the Chairman and major shareholder of THG.

2. Ms. Nalin Vanasin is director of THG



Vanasin's family is directors and the major shareholder of THG and the major shareholder of RRE as follows:

1. Vanasin's family holds shares in THG consisting of 1. Mrs. Jaruwan Vanasin 2. Dr. Boon Vanasin 3. Mrs. Navara Vanasin 4. Ms. Nalin Vanasin 5. Mr. Jon Vanasin 6. Global Health Investment Co., Ltd. and 7. Rajthanee Pattanakarn (2014) Company Limited which holds approximately 24.56% of THG's total issued and sold shares based on the list of shareholders on the book closing as of 31 December 2022.
2. Vanasin's family holds shares in RRE indirectly through RLD totaling 72.3 percent of the issued shares based on the list of shareholders (form BorOrJor.5) as of 12 July 2022.

The directors of RRE are 1) Mr. Sutham Siribunyawat 2) Mr. Kritti Wibunpraphan 3) Ms. Jidapa Phumput and 4) Mr. Kiatkampol Yothavijit who are not Vanasin's family.

The directors of UTT are 1) Mr. Tanatip Suppradit 2) Mr. Kajorn Thanapase and Ms. Anchalee Chalvalitjareetham who are not Vanasin's family.

#### 5. Details of Connected Persons and Scope of Interest in the Transaction

The transaction is a transaction between UTT (a subsidiary of THG) and RRE, which has the same group of major shareholders which is Vanasin's family. Therefore, it is considered as a related party transaction in the type of assets and

services according to the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Related Party Transactions dated 31 August 2008 and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Acts of Listed Companies in Related Party Transactions dated 19 November 2003.

After considering the calculation of the size of the related party transaction in accordance with the relevant rules and regulations, the transaction size is higher than 0.03% but lower than 3% of THG's net tangible assets according to the consolidated financial statements of THG and its subsidiaries ending 31 December 2022. THG, therefore requires proposing this transaction to the Board of Directors for approval and to disclose the information to the Stock Exchange of Thailand.

## **6. Expected benefits to the company**

Increasing liquidity of working capital in the business.

## **7. Opinion of the Board of Directors**

The Board of Directors (excluding 2 interested directors who did not attend the meeting and did not vote on that agenda) has given opinions that such lands are vacant land that the Company haven't used any benefits. Both parties agreed to buy and sell at a price of 95.53 million baht, which is higher than the appraised value. Moreover, both independent appraisers are on the list of appraisal companies approved by the SEC. The Board of Directors approved to announce the sale to the public at a price not lower than the cost. In the past, there were people interested in buying at a price lower than the land appraisal price. It was only RRE, a connected person, offered to buy at a price higher than the cost price (74.31 million baht). The director then approved the sale of land to RRE. Therefore, this transaction is reasonable and transparent.

## **9. Opinion of the Audit Committee which is difference from the Opinion of the Board of Directors**

-None-

Please be informed accordingly.

Yours sincerely,

Thonburi Healthcare Group Public Company Limited

(Miss Jinda Ariyapornpong)

Corporate Secretary