



(Translation)

July 22, 2022

Subject : Opinion of the Independent Directors on the delisting of securities of Samitivej Plc. from the Stock Exchange of Thailand

To : Shareholders  
Samitivej Plc.

Reference is made to the resolution of the Board of Directors' Meeting of Samitivej Plc. ("the Company") No. 3/2022, held on June 29, 2022, approved to propose the extraordinary general meeting of shareholders for consideration and approval of the Company's securities delisting from the Stock Exchange of Thailand ("SET"), which is in line with the proposal from Bangkok Dusit Medical Services Plc. ("BDMS"), the major shareholder holding 95.76% of the total issued shares of the Company. BDMS has an intention to voluntarily delist the Company's securities from the Stock Exchange in order to resolve the issue with respect to and alleviate the burden incurred as a result of the incompliance with the free float requirement under the rules on qualifications on maintaining the status as a listed company on the SET.

In this regard, if the shareholders' meeting passes a resolution approving the delisting of the Company's securities from the SET and such delisting has been approved by the SET and other relevant authorities (if any), BDMS will be a tender offeror for delisting the Company's securities by offering to purchase all of the remaining shares from other shareholders, accounting for approximating 4.24% of the total issued shares of the Company, at the offering price of Baht 480 per share. Such offering price is not lower than the highest value of the Company's shares calculated based on the criteria and methods under the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers.

Moreover, such offering price is subject to change given that there is any incident which causes or may cause a severe damage to the Company's business, assets or share value or any other incident which materially affects the determination of the offering price or any other incidents as set out in Notification No. TorChor. 12/2554. However, the determination of the final offering price shall conform in all respects with the regulations under such notification.

The tender offer for delisting the Company's securities from the SET is contingent upon satisfaction of all of the following conditions:

- 1) The shareholders' meeting of the Company passes a resolution approving the delisting of the Company's securities by votes of no less than three-fourths of the total number of issued and paid-up shares of the Company and without objection from shareholders holding more than 10% of the total issued shares of the Company in accordance with the delisting regulations outlined by the SET; and
- 2) Approval and/or waiver for the delisting of the Company's securities is obtained from concerned authorities, including the SET, financial institutions and other related contractual parties ( where necessary).

The Company's Independent Directors, namely (1) Prof. Dr. Somchai Richupan, (2) Mr. Somchat Intrathut and (3) Mr. Kraithip Krairiksh, have considered the details and information related to the delisting of the Company's securities from the SET and the opinion provided by the Independent Financial Advisor, Advisory Plus Co., Ltd. In this regard, Dr. Subhak Siwaraksa, the Independent Director who serves as the director of both the Company and BDMS, did not participate in the consideration of information related to or the expression of opinion on such matter. The Independent Directors agree with the opinion provided by the Independent Financial Advisor as follows:

## **1. Rationale and appropriateness of the delisting of the Company's securities**

The Independent Directors view that the delisting of the Company's securities from the SET is appropriate based on the following reasons:

1.1 The Company has no need to mobilize funds through the SET since it has healthy liquidity and sufficient funds to support the business growth. If the Company has any future funding need, it can either secure funds from other sources or seek financial support, as necessary, from its parent company, BDMS.

1.2 This will help to resolve the issue with respect to and alleviate the burden incurred as a result of the non-compliance with the free float requirement under the rules on qualifications on maintaining the listed company status as set out by the SET. The Company has minority shareholders whose combined shareholding has been less than 15% of its paid-up capital for a long period of time, and currently still cannot come up with any solution to rectify such free float shortfall.

1.3 The Company will be relieved of not only the duty to comply with the relevant rules, regulations and requirements applicable to listed companies, thus having greater flexibility in its business management, but also the fees and expenses incurred from maintaining the listed company status.

1.4 The delisting of the Company's securities and the tender offer will provide an option for the minority shareholders to sell their shares in the Company in the amount desired and at the appropriate price determined in the tender offer. This will enable them to mitigate risk associated with the Company's shares having been illiquid for a long period of time and risk from their inability to counterbalance the power of the major shareholder, BDMS, which owns a stake of as high as 95.76% of the total issued shares and accordingly has a significant control power in the Company.

## **2. Impacts of the delisting on the Company**

2.1 The Company will no longer be able to mobilize funds through the SET. Nonetheless, due to the nature of its business and its financial position with sufficient liquidity and cash flow for its business operation, the Company has no need for fund mobilization via the SET. If it has any funding need, it can raise funds from other sources such as borrowing from financial institutions and issuance and offering of debt instruments to institutional investors and/or large investors, or, can rely on financing sources or seek financial support, as necessary, from BDMS which is its parent and a listed company and can raise funds through the stock exchange. In the long term, it is expected that the Company will still be able to operate business according to its future plan without any significant impact from the limitation of fund mobilization through the SET.

2.2 The Company will enjoy lower benefits from tax exemption on dividends that are received from Thai entities or mutual funds and to be added as income for tax calculation. However, the Company will remain entitled to such tax benefits in full in the case where it holds shares in an entity which pays dividends at not less than 25% of the total voting shares and which does not hold any shares in the Company, and the Company has held shares in such entity for at least three months before and after the date of earning such dividend income. The Company will also remain entitled to exemption from adding dividends received from mutual funds as income for taxable profit calculation in a half amount in the case where it has held investment units in such mutual funds for at least three months before and after the date of earning such dividend income.

2.3 The third parties, including business partners and customers, will have less access to news and information about the Company due to it no longer being duty-bound to abide by the disclosure rules applicable to listed companies, which may somewhat affect the Company's image and credibility. This, however, is expected not to materially impact its business operation as the Company will pursue the marketing and PR plans in relation to its information and service offering so as to maintain its target groups.

### 3. Impacts on shareholders

In the case where the Company ceases to be a listed entity, the minority shareholders who continue holding shares in the Company will face the following impacts:

3.1 They may not be able to flexibly buy and sell the Company's shares because the shares will no longer be tradable on the SET, as a secondary market.

3.2 Return on investment in the shares may be limited to dividend payment only. The shareholders will have a lower chance of enjoying a capital gain arising from the difference between the buying and selling prices of shares since there will be no secondary market and reference price for trading the shares.

3.3 The shareholders who are individual persons will no longer be entitled to Income tax exemption of capital gain, and share transferors who are either natural person or juristic persons will no longer be eligible for exemption of stamp duty.

3.4 The shareholders will have significantly limited access to news and information about the Company because of the termination of its duty to abide by the disclosure rules as a listed company under any relevant regulations and notifications. However, the Company will remain as a public limited company and still has a duty to disclose its information in accordance with the Public Limited Companies Act B.E. 2535, such as information disclosed at the shareholders' meeting, annual report, etc.

3.5 The minority shareholders will be exposed to risk from inability to exercise checks and balances in business management by the major shareholder since BDMS currently owns 95.76% of the total issued shares of the Company, which allows it to almost totally control the resolutions to be passed by the shareholders' meeting.

### 4. Appropriateness of the offering price

The Independent Directors view that the offering price for the Company's shares of Baht 480 per share is fair and reasonable. According to the Independent Financial Advisor's opinion, such price is deemed appropriate and is not lower than the shares' fair value appraised by the discounted cash flow approach in a range of Baht 365.52 – 466.30 per share. In addition, such offering price is not lower than the highest price calculated in accordance with the rules on determination of an offering price for delisting of securities prescribed in the Capital Market Supervisory Board's Notification No. TorChor.12/2554.

The opinion expressed herein by the Independent Directors is only for use as part of the basis for consideration by the shareholders. The final decision depends primarily on the shareholders' individual judgement. The shareholders are also recommended to consider the opinion report of the Independent Financial Advisor as a basis for making your decision on the delisting of the Company's securities from the SET.

Please be informed accordingly.

Yours sincerely,

.....(signed).....  
Prof. Dr. Somchai Richupan  
Independent Director

.....(signed).....  
Mr. Somchat Intrathut  
Independent Director

.....(signed).....  
Mr. Kraithip Krairiksh  
Independent Director