

No. BIZ 012/2021

12 May 2021

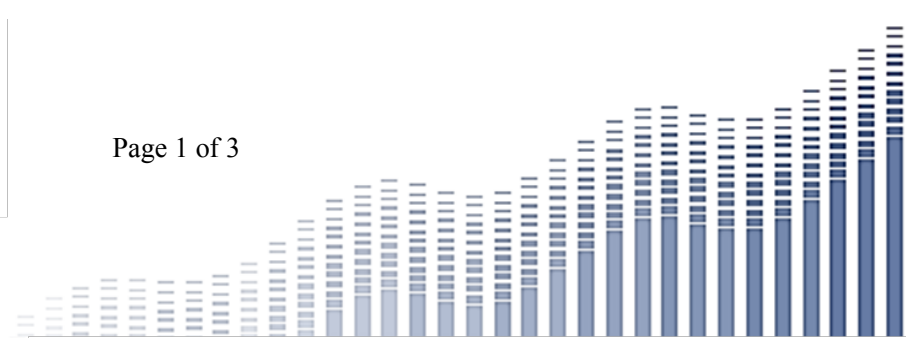
Subject: Management Discussion and Analysis for the three-month period ended 31 March 2021

To: The President
The Stock Exchange of Thailand

Business Alignment Public Company Limited (“The Company”) and its subsidiary would like to submit this Management Discussion and Analysis of the Company’s operation for the three-month period ended 31 March 2021, with details as follows

Statement of Comprehensive Income for the three-month period ended 31 March 2021

Statement of Comprehensive Income	ended 31 March 2021	ended 31 March 2020	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenue from sales of goods	474.90	211.59	263.31	124.44%
Revenue from rendering of services	54.14	41.89	12.25	29.22%
Revenue from construction	0.00	0.02	(0.02)	(100.00%)
Revenue from hospital operations	18.24	4.76	13.48	283.05%
Income from business operation	547.28	258.26	289.02	111.90%
Gain on exchange rate	3.86	4.18	(0.32)	(7.60%)
Other Income	0.16	0.56	(0.40)	(70.79%)
Total Revenue	551.30	263.00	288.30	109.62%
Cost of sales of goods	371.74	183.21	188.53	102.90%
Cost of rendering of services	40.95	33.14	7.81	23.57%
Cost of construction	0.00	0.01	(0.01)	(100.00%)
Cost of hospital operations	13.56	11.81	1.75	14.78%
Gross Profit	121.02	30.09	90.93	302.27%
Distribution costs	3.98	2.48	1.50	60.68%
Administrative expenses	11.52	10.37	1.15	11.06%
Earnings Before Interest & Tax	109.55	21.98	87.57	398.49%
Interest Expenses	5.67	5.55	0.12	2.27%
Earnings Before Tax	103.88	16.43	87.45	532.27%
Tax Expenses	21.10	6.08	15.02	247.27%
Net Profit (Loss)	82.78	10.35	72.43	699.54%
Profit attributable to:				
Equity holders of the parent	81.76	15.28	66.48	435.07%
Non-controlling interest	1.02	(4.93)		



The Consolidated Financial Statement of the Company and its subsidiary for the three-month period ended 31 March 2021, the Company generated revenue of 551.30 million Baht and net profit attributable to equity holder of the parent of 81.76 million Baht. The changes can be explained as follows;

Revenue from business operation

For the three-month period ended 31 March 2021, the Company and its subsidiary generated revenue from sales, services and hospital operations of 547.28 million Baht, increasing by 289.02 million Baht or 111.90%, when compared to the previous year, with details as follows:

1. **Revenue from sales of goods**

For the three-month period ended 31 March 2021, the Company and its subsidiary generated revenue from sales of 474.90 million Baht, increasing by 263.31 million Baht or 124.44%, when compared to the previous year. This increase was due to the Company delivers large project.

2. **Revenue from rendering of services**

For the three-month period ended 31 March 2021, the Company and its subsidiary generated a revenue from rendering of services of 54.14 million Baht, increasing by 12.25 million Baht or 29.22%, when compared to the previous year. Revenue from rendering of services from Machine maintenance of 54.11 million Baht and revenue from Genetic Diagnosis service of 0.03 million Baht. For the three-month period ended 31 March 2021 This increase the product warranty under the purchase contract after the delivery has expired many projects. Therefore, there are many renew maintenance service contracts is increased during this period.

3. **Revenue from hospital operations**

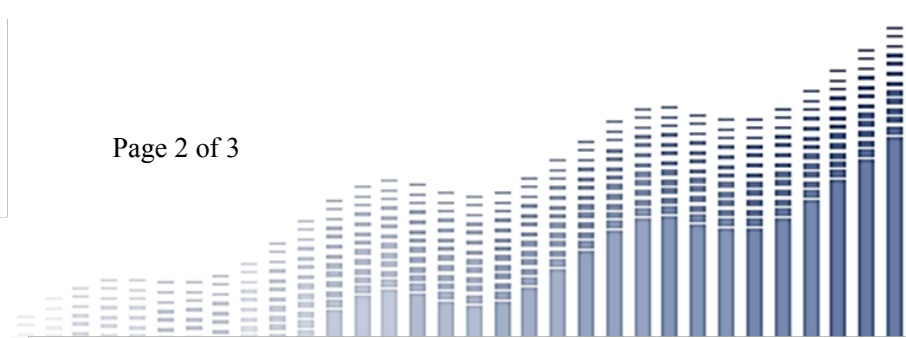
Revenue from hospital operations investment in Cancer Alliance Co., Ltd. (“CAH”) as subsidiary to operate specialized hospital for cancer treatment. For the three-month period ended 31 March 2021, the Company and its subsidiary generated a revenue from hospital operations of 18.24 million Baht, increasing by 13.48 million Baht or 283.05%, when compared to the previous year.

Cost of sales of goods and Gross Profit Margin from sales of goods

For the three-month period ended 31 March 2021, the Company and its subsidiary had a gross profit from sales of 103.16 million Baht or equivalent to gross profit margin of 21.72%, which was higher the gross profit margin from sales in the previous year at 13.41%. The increase in gross profit margin was due to improvement of product cost management.

Cost of rendering of services and Gross Profit Margin from rendering of services

For the three-month period ended 31 March 2021, the Company and its subsidiary had a gross profit from services of 13.19 million Baht or equivalent to gross profit margin of 24.35%, of the same period of previous year at 20.89%.



Cost of hospital operations and Gross Loss from hospital operations

For the three-month period ended 31 March 2021, the Company and its subsidiary had a gross loss from hospital operations of 4.68 million Baht or equivalent to gross loss of 25.64%.

Distribution costs and Administrative Expenses

For the three-month period ended 31 March 2021, the Company and its subsidiary had a distribution cost of 3.98 million Baht, decreasing by 1.50 million Baht or 60.68% compared to the previous year. This increase can be attributed to the increase of human resources costs.

For the three-month period ended 31 March 2021, the Company had administrative expenses of 11.52 million Baht, increasing by 1.15 million Baht or 11.06% compared to the previous year. This increase can be attributed to the increase of human resources costs.

Finance Costs

For the three-month period ended 31 March 2021, the Company and its subsidiary had financial costs of 5.67 million Baht, increasing by 0.12 million Baht or 2.27%, of the same period of previous year at 5.55 million Baht.

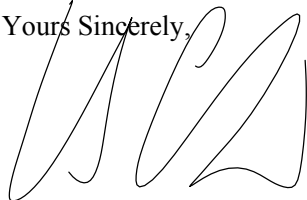
Net Profit and Net Profit Margin

For the three-month period ended 31 March 2021, the Company and its subsidiary had a net profit attributable to equity holder of the parent of 81.76 million Baht, or equivalent to net profit margin of 14.83% compared to the previous year, which had the net profit attributable to equity holder of the parent of 15.28 million Baht or net profit margin of 5.81%, the Company had higher net profit margin as due to the increase in revenue from sales and the ability to increase profit margins.

The Company recognized a profit incurred from its investment in Cancer Alliance Co., Ltd. (“CAH”) as subsidiary to operate specialized hospital for cancer treatment of 1.89 million Baht proportional to 65%.

Please be informed accordingly.

Yours Sincerely,



(Mr. Sompong Chunekitiyanone)
Chief Executive Officer
Business Alignment Public Company Limited

