

No. BIZ 016/2021

11 August 2021

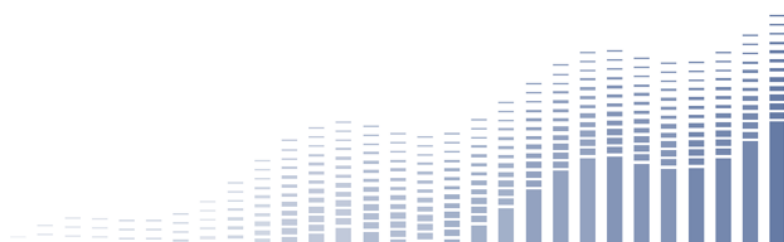
Subject: Management Discussion and Analysis for the three-month period ended 30 June 2021

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 30 June 2021, with details as follows

Statement of Comprehensive Income for the three-month period ended 30 June 2021

Statement of Comprehensive Income	ended 30 June 2021	ended 30 June 2020	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenue from sales of goods	545.94	13.58	532.36	3,919.02%
Revenue from rendering of services	57.83	57.02	0.81	1.41%
Revenue from construction	4.75	0.02	4.73	27,835.29%
Revenue from hospital operations	18.80	4.45	14.35	322.40%
Income from business operation	627.32	75.07	552.25	735.57%
Other Income	0.60	2.58	(1.98)	(76.79%)
Total Revenue	627.92	77.65	550.27	708.61%
Cost of sales of goods	401.14	7.97	393.17	4,930.65%
Cost of rendering of services	44.66	41.61	3.05	7.34%
Cost of construction	4.28	0.01	4.27	30,500.00%
Cost of hospital operations	14.94	11.47	3.47	30.24%
Gross Profit	162.29	14.01	148.28	1,058.40%
Distribution costs	5.41	2.39	3.02	126.44%
Administrative expenses	11.74	9.10	2.64	29.01%
Loss on exchange rate	0.55	1.92	(1.37)	(71.64%)
Profit Before Interest & Tax	145.19	3.18	142.01	4,473.01%
Interest Expenses	6.15	5.59	0.56	10.11%
Profit (Loss) Before Tax	139.04	(2.41)	141.45	5,866.98%
Tax Expenses	28.14	2.10	26.04	1,238.28%
Net Profit (Loss)	110.90	(4.51)	115.41	2,556.76%
Profit (Loss) attributable to:				
Equity holders of the parent	111.49	0.03	111.46	348,309.38%
Non-controlling interest	(0.59)	(4.54)		



The Consolidated Financial Statement of the Company and its subsidiary for the three-month period ended 30 June 2021, the Company generated revenue of 627.92 million Baht and net profit attributable to equity holder of the parent of 111.49 million Baht. The changes can be explained as follows;

Revenue from business operation

For the three-month period ended 30 June 2021, the Company and its subsidiary generated revenue from sales, services, construction and hospital operations of 627.32 million Baht, increasing by 552.25 million Baht or 735.57%, when compared to the previous year, with details as follows:

1. **Revenue from sales of goods**

For the three-month period ended 30 June 2021, the Company generated revenue from sales of 545.94 million Baht, increasing by 532.36 million Baht or 3,919.02%, 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 30 June 2021, the Company generated a revenue from rendering of services of 57.83 million Baht, increasing by 0.81 million Baht or 1.41%, when compared to the previous year. of the same period of previous year at 57.02 million Baht.

3. **Revenue from Construction**

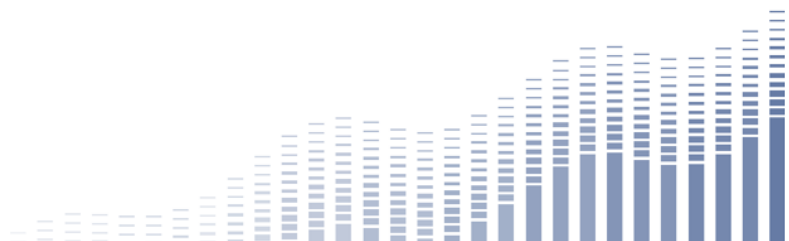
For the three-month period ended 30 June 2021, the Company generated a revenue from construction of 4.75 million Baht, increasing by 4.73 million Baht or 27,835.29%, when compared to the previous year. This increase from construction of hospital building customer. which the Company recorded cost of construction according to percentage of completion. Therefore, as of 30 June 2021, the Company has recognized revenue from construction of the project of 84.70%

4. **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 30 June 2021, the subsidiary generated a revenue from hospital operations of 18.80 million Baht, increasing by 14.35 million Baht or 322.40%, when compared to the previous year. The increase the number of customers service from the hospital.

Other Revenue

For the three-month period ended 30 June 2021, the Company and its subsidiary generated other revenue of 0.60 million Baht, decreasing by 1.98 million Baht or 76.79%, when compared to the previous year. This decrease from reversed other provisions.



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

For the three-month period ended 30 June 2021, the Company had a gross profit from sales of 144.80 million Baht or equivalent to gross profit margin of 26.52%, which was lower than the gross profit margin from sales in the previous year at 41.30%. The decrease in gross profit margin was due to the company delivers large project of the normal gross profit margin for projects.

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

For the three-month period ended 30 June 2021, the Company had a gross profit from services of 13.17 million Baht or equivalent to gross profit margin of 22.77%, when compared to the previous year. of the same period of previous year at 27.04%.

Cost of Construction and Gross Profit Margin from Construction

For the three-month period ended 30 June 2021, the Company generated gross profit margin from construction of 0.47 million Baht or equivalent to gross profit margin of 9.80% according to construction budget.

Cost of hospital operations and Gross Profit from hospital operations

For the three-month period ended 30 June 2021, the subsidiary had a gross profit from hospital operations of 3.86 million Baht or equivalent to gross profit of 20.52%, The subsidiary manages service costs better.

Distribution costs and Administrative Expenses

For the three-month period ended 30 June 2021, the Company and its subsidiary had a distribution cost of 5.41 million Baht, increasing by 3.02 million Baht or 126.44% compared to the previous year. This increase of human resources costs.

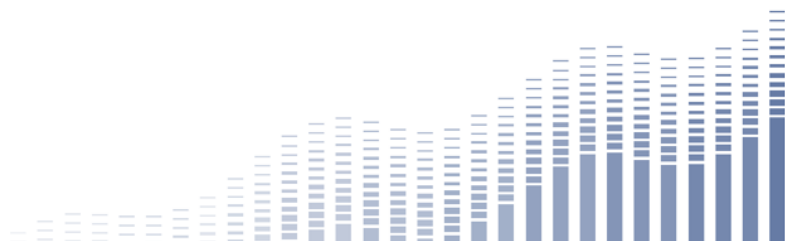
For the three-month period ended 30 June 2021, the Company and its subsidiary had administrative expenses of 11.74 million Baht, increasing by 2.64 million Baht or 29.01% compared to the previous year. This increase of human resources costs.

Finance Costs

For the three-month period ended 30 June 2021, the Company and its subsidiary had financial costs of 6.15 million Baht, increasing by 0.56 million Baht or 10.11%, of the same period of previous year at 5.59 million Baht.

Net Profit and Net Profit Margin

For the three-month period ended 30 June 2021, the Company and its subsidiary had a net profit attributable to equity holder of the parent of 111.49 million Baht, or equivalent to net profit margin of 17.76% compared to the previous year, which had the net profit attributable to equity holder of the parent of 0.03 million Baht or net profit margin of 0.04% the Company had higher net profit margin as due to the increase in revenue from sales from delivers large project.



The Company recognized a loss incurred from its investment in Cancer Alliance Co., Ltd. (“CAH”) as subsidiary to operate specialized hospital for cancer treatment of 1.10 million Baht proportional to 65%.

Please be informed accordingly.

Yours Sincerely,



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

