

BEYOND THE BEST

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ACCOUNTABILITY

BIZ
2022



Form 56-1 One Report 2022
Business Alignment PCL.



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Message from Chairman of the Board



Although BIZ as a leader in importing, distributing, and installing medical equipment was not severely affected compared to other industry of business that has been greatly affected by the outbreak of COVID-19. However, employees and executives have adapted significantly in working together to make the implementation of the projects contracted with our customers able to deliver the work on schedule. It is in line with the company's mission to allow our patients, the company's primary stakeholders, to have the fastest access to therapeutic technology. Moreover, the board aims to create stable and sustainable growth in the long run. Therefore, the policies formulated by the management team were created to include expanding the customer base, paying more attention to cost control management, and continuously managing the company's liquidity and human resource development by considering the impact on our stakeholders, society and environment.

A handwritten signature in black ink, appearing to be 'W. Moolechad', written over a white background.

Mr. Woodtipong Moolechad
Chairman of the Board



The Board of Directors is committed and persistent in driving the organization toward being a transparent and ethical organization based on honesty and accountability. Although the set up of a specific corporate governance and sustainability committee has not been completed yet, the Board of Directors is responsible for supervising the business in accordance with the principles of corporate governance very closely in terms of information disclosure and transparency, shareholders' rights, the equitable treatment of shareholders, setting priority to our stakeholders, social responsibility and sustainable development.

The Board of Directors has approved the investment for a capital increase in a subsidiary, "Cancer Alliance Company Limited" (CAH), which CAH's board of directors has considered to increase capital in the amount of 100 million baht. The purpose was to consider a partial repayment of the credit line to the bank in order to streamline the management and future workflow for the hospital business.

On behalf of the Board of Directors, I would like to thank the shareholders for their trust in Biz company. We also thank all sponsors for their strong support to the company, including the management team. And all employees who work together to perform their duties with a sense of responsibility and diligence which is an important part that creates stability and sustainable development for the company. This enables the company to continue to grow and achieve both short-term and long-term goals.



Message from Chief Executive Officer



A handwritten signature in black ink, appearing to read 'S. P. C.', on a white background.

Mr. Sompong Chunekitiyanone
Chief Executive Officer

For more than two decades, we are proud to present our Business Alignment **“BIZ”** is a company with the passion to push BIZ to be the center of cancer treatment development for in-need patients together with hospitals, doctors, and medical personnel. We pay our main focus on curing cancer with new technology such as radiation. This method is known to be accepted by worldwide professionals, its results for cancer patients are better quality of life and granted access to treatment technology that is comparable to developed countries.

Over the past three years, every country including Thailand has faced a crisis of COVID-19. Our country is able to cope with the pandemic situation, and it looks like COVID-19 will become endemic in no time. However, the best treatment for COVID-19 is to prevent and take care of our health, especially staying away from the risk group, so that we will be able to go back to our normal life again. Therefore, it can be seen that no matter how many serious new diseases this world has to face. But the number one serious disease that is still a common concern and a disease that kills one of your closest people is **“CANCER”**. In the medical industry, cancer has a higher chance of being curable if we found it at the early stage with access to the treatment quickly.

BIZ has its strength as a **“Solution Provider”** in radiation cancer treatment. Our responsibilities take place over advanced medical irradiation with high quality, we also use our expertise in various fields such as advising customers on a cancer facility construction, as well as providing professionals with supervision including machine installation. Necessary training on how to use various tools professionally including maintenance of the machine is our priority after the construction process to ensure that cancer patients receive treatment with high-quality equipment.

For the past 23 years, both the machine manufacturer and BIZ have had the same commitment to providing cancer patients in Thailand access to higher-quality medical equipment. The management team and staff of BIZ have a high dedication to working closely with machine manufacturers to ensure that we can achieve our goals and missions that medical devices must be delivered to meet high-quality requirements in a timely manner.



In the year 2022, in addition to our commitment to deliver maximum customer satisfaction, BIZ continues to move forward to create stability and prosperity for all stakeholders by moving the stock security from 'mai' market to the 'SET' market on the 5th of July 2022 to raise awareness and trust of BIZ among both domestic and international investors. Improving our internal workflow and system to keep up with the world's current situation is also our main core. For instance, there was a worldwide impact on the manufacturer's delivery ability, which required longer lead times. Our company had to adjust the working strategy to match such impacts on the condition of the same delivery time to the hospital for them to be able to service cancer patients who are desperately waiting to get treatment as soon as possible at our opening hospital. Moreover, BIZ will be able to recognize revenue according to the period of the contract made with the hospital accordingly.

In the year 2022, the company and its subsidiaries had total revenue from the consolidated financial statements of 1,235.20 million baht, which was sales revenue of 786.41 million baht, an decrease of 1,806.71 million baht or an decrease 69.67% of revenue from services part was 341.03 million baht, increased which was 93.57 million baht or increased 37.81%. Revenue from hospital operations was 98.14 million baht, increased which was 23.19 million baht or increased 30.93% and the company had total comprehensive income from major shareholders of the Company 133.43 million baht or a net profit margin of 10.80%. The sales revenue decreased because the number of projects delivered in the year 2022 was less than the previous year. Service revenue increased due to the increase in the number of maintenance service contracts. Revenue from hospital operations increased from the number of patients to receive treatment from the previous year.

This illustrates that our income from Cancer Alliance Hospital which has established its history for the 3rd year has improved respectively. Moreover, in the year 2022, there has been an increase in capital which was decided to be paid off the debts to achieve our goal of a positive income statement from the hospital business as soon as possible. We believe that in the near future, revenue from hospital operations will be another source of income that will stabilize BIZ's revenue statement.

BIZ has operated by emphasizing management principles that require good governance, honesty, transparency, as well as developing the potential of personnel to be higher and coordinating with the manufacturer closely and continuously. We aim to ensure that our company's performance will be able to provide high quality and standards to meet our customers' expectations and satisfaction. We believe this will be our foundation of sustainable business growth in the future.

One of Biz's company policies for employees is to create the best but different for our customers. To deliver quality work at the **"Beyond The Best"** level of service. In the past year, we were very pleased and proud to inform all shareholders that BIZ was successful and received an award from the Stock Exchange of Thailand in outstanding awards, **"Outstanding Company Performance Awards"** among companies listed on the 'mai' market with a market capitalization of more than 1,500 million baht.

Lastly, as the Chief Executive Officer of BIZ, I am convinced that with the core strategy, our company has set goals, along with the cooperation of the management team, all employees, including stakeholders, our shareholders, business partners, customers, financial institutions and all stakeholders for always trusting and supporting us. I have faith that this will surely help drive BIZ to grow and achieve the vision of the company in the future. I would like to thank all stakeholders and ask you to be confident that the company will pay attention to conducting business with good governance. BIZ will move forward to create value and achieve sustainability as everyone has entrusted to me and the company.



Board of Directors and Subcommittees

Name of Board of Directors



01 Mr. Woodtipong Moleechad

- Chairman of the Board
- Independent Director



02 Ms. Srirat Chuchottaworn

- Independent Director



03 Mr. Vipoota Trakulhoon

- Independent Director



04 Mr. Thanawat Lertwattanak

- Independent Director



05 Mr. Sompong Chunekitiyanon

- Director
- Executive Chairman
- Chief Executive Officer



06 Mr. Voravid Silapusid

- Director Remuneration Committee
- Executive Committee
- Chief Financial Officer
- Human Resources Manager (Acting)



07 Mr. Noppadol Suntanaphanich

- Director
- Executive Committee
- Chief Quality Officer

Miss. Srisunun Anuchornphan

- Company Secretary
- Subcommittees Secretary
- Executive Committee
- Chief Administrative Officer



Audit Committee



01 Ms. Srirat Chuchottaworn

- Chairman of the Audit Committee
- Independent Director



02 Mr. Vipoota Trakulhoon

- Audit Committee
- Independent Director



03 Mr. Thanawat Lertwattanak

- Audit Committee
- Independent Director

Nominating and Remuneration Committee



01 Mr. Vipoota Trakulhoon

- Chairman of Nomination and Remuneration Committee
- Independent Director



02 Ms. Srirat Chuchottaworn

- Nomination and Remuneration Committee
- Independent Director



03 Mr. Thanawat Lertwattanak

- Nomination and Remuneration Committee
- Independent Director



04 Mr. Sompong Chunekitiyanon

- Nominating and Remuneration Committee



05 Mr. Voravid Silapusid

- Nomination and Remuneration Committee



Awards



Received a rating of listed companies with corporate governance in the criteria of **“Excellent” or 5 stars** from the Corporate Governance Survey of Thai Listed Companies (CGR) for the year 2022, organized by the Stock Exchange of Thailand (SET) and Thai Institute of Directors (IOD)



SET Awards 2022 by the Stock Exchange of Thailand **“Outstanding Company Performance Awards”** for companies listed on the mai stock market and having a market capitalization of more than 1,500 million Baht 2)



SET Awards 2022 by the Stock Exchange of Thailand **Outstanding CEO Awards “Mr. Sompong Chuenkitityanone,”** the top executive of mai, guarantees leaders with visionary management of the organization to success.



Summary of Financial Information

Unit : million Baht

For the year ended Decemeber 31	Y2020 Consolidated FS Audited	Y2021 Consolidated FS Audited	Y2022 Consolidated FS Audited
Total Assets	2,032.65	1,807.75	1,406.30
Total Liabilities	1,458.15	966.61	585.67
Equity attributable to owners of the Company	532.16	793.49	752.77
Revenue from sales and services	755.34	2,920.76	1,225.58
Total Revenues	765.13	2,934.14	1,235.20
Gross Profit	133.44	621.94	251.76
Profit before tax	47.58	526.30	166.72
Profit attributable to Equity holders of the Company	44.40	420.33	133.43
Financial Ratio			
Current Ratio (time)	1.27	2.09	2.36
Gross profit Margin (%)	17.67	21.29	20.54
Operating Profit Margin (%)	7.98	18.39	13.99
Net Profit Margin (%)	5.80	14.33	10.80
Return on Total Assets (%)	2.41	21.89	8.30
Return on Equity (%)	7.93	63.42	17.26
Debt to Equity Ratio (time)	2.74	1.15	0.71
Earning per share (Baht)	0.07	0.70	0.22
"Book Value per Share (par value 0.50 Baht)"	1.33	1.98	1.37



Policy and Overview of Business Operations



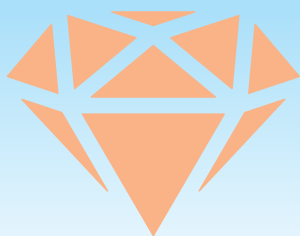
Vision

Business Alignment Public Company Limited is the provider, distributor and maintenance service provider of medical and health equipment especially for cancer patients in order for them to be able to access the modern technology and equality with developed countries.



Mission

- 1 **Import, distribute** and provide medical services as well as medical products. To help the doctor Including related medical personnel can be treated with advanced technology and allowing the patients to access the mentioned technology conveniently
- 2 **Be the center for development** in curing patients with the hospitals, doctors and medical personnels especially for cancer in order to better the quality of life of the patients equality with developed countries
- 3 Manage and administer **under the corporate governance** and medical ethics to ensure that the management and administrations are run effectively and efficiently
- 4 Create **the highest satisfaction** for all related parties, both directly and indirectly affected, in terms of quality, price, delivery and international standard service
- 5 Look for and expand business related to health and public health related business to prevent and **promote good health** and increasing revenue and profit



Core Value

- B Beyond the Best**
Every time you act, make sure you can do "MORE" with the word "BEST" every time.
- O Openness**
Openness and acceptance of opinions increases credibility and is the key to success.
- E Expertise**
Expertise is to know and understand more "Just know that"
- A Accountability**
Responsibility is the basis of success.
- N Never Give Up**
The secret of success is that we never give up.



Corporate Objective/ Long Term Goal

The company continues its vision to look for and expand businesses related to health and public health. Leadership in cancer treatment and prevention. In order to give people, access to modern technology and equality with developed countries. Encourage people to have better health. Beyond being a distributor and install high quality medical instruments and software systems including related tools for cancer treatment by radiation treatment.

Established a specialized hospital in cancer which counseling and referral for patients. To provide services for the treatment of cancer patients including radiation therapy and chemotherapy focus on quality control, the quality of doctors, specialists in cancer, efficiency and safety in accordance with international standards. It is a new business that the company has started to work to increase its long-term business potential. Expanding the type of business from the sales and installation of medical devices related to radiation and increasing opportunities and choices of treatment for patients. Increasing sources of income and diversify risks to other businesses which increase opportunity to generate more stable income and cash flow. The company aims to see the results from the revenue of this hospital project after operating within 3-5 years. The specialized hospital in cancer was officially opened on October 1, 2019. As our vision, the company aims to provide people with access to modern technology that is comparable to developed countries. By setting a goal to open another branch of the cancer specialist hospital in another region within 5 years, with a feasibility study of the project closely.

With advanced technology advances, the Next Generation Sequencing (NGS) is accurate and high security. They can access, investigate and understand the secret that links their unique genetic code. To examine a person's lifestyle, such as food intake exercise and skin care. To reach the DNA level. With this innovation make sure that the person is aware of the risk of cancer in the future. Plan for prevention of cancer. It can help to know and understand the risks of future types of cancer and plan for their health care properly and at risk. Helping to plan a family member's health to reduce or manage genetic risk and change the way of lifestyle to reduce other risk involved.

The company expects, this is a continuation of the cancer-related business which the company specializes in. It is a long-term business plan. To increase sales potential and to be more stable.



Notable Changes and Development

Since its establishment in 2000, there are important changes and development in the company as follows:

2000

May 12, 2000: The company was registered with 1 million Baht registered capital with 10,000 common shares, at 100 Baht value per share. The office was located at 312/20 Soi Kiatchai, Asoke-Dindang Rd., Dindang, Bangkok. Its business operation was to import medical equipments especially radiation machine for cancer treatment and othe related equipments

The company was appointed as a distributor of Varian Medical Systems Inc. ("Varian") which is the world's leading company from USA in producing and distributing medical equipments and software system for cancer treatment through radiation therapy, proton beam therapy and mineral implant therapy using up-to-date technology as well as x-ray tubes for medical purposes and linear accelerators for container inspection using high energy x-ray. We can say that Varian is the well known provider and distributor of high quality radiation therapy equipments among the medical industry both domestically and internationally.

2006

April 24, 2006: The office relocated to 69/6 Tang Hua Pak Building, 3rd Floor, Soi Suksa Wittaya, Silom Rd., Silom, Bangrak, Bangkok to cater for the business expansion and increase the convenience in coordinating with the customers and medical equipment production companies

June 27, 2006: The company increased its registered capital from 1 million Baht to 2 million Baht by releasing 10,000 more common shares, at 100 Baht value per share and offered these shares to the original shareholders proportionally and also offered the common shares to 2 new shareholders at 300 Baht per share and these were collected in one time to support the fast expansion and the changing order behaviour of the customers which was more Turn Key style. This meant that the company needed to take greater responsibility in renovating the room or building as well as constructing and providing related equipments so that the purchased radiation machines can work at its full capacity to ensure top effectiveness. This caused the company to alter the business policy from only importing the radiation equipments to being a solution provider in cancer treatment which included providing the equipments and other related fixtures, constructing and renovating the venue to be suitable for cancer treatment for both public and private hospitals.

2010

December 21, 2010: The company was contracted to purchase one TrueBeams radiation machine for cancer treatment including installation and room renovation from Chulabhorn Hospital which was the first radiation machine with up-to-date technology and high accuracy in ASEAN region at the time. The machine was tested in November 2011 and was officially used in March 2012.

2012

The company received purchase orders for TrueBeam linear accelerator including installation and building construction from Songklanagarind Hospital, Faculty of Medicine, Prince of Songkla University (1 unit), Srinagarind Hospital, Faculty of Medicine, Khon Kaen University (1 unit), Chulalongkorn Hospital, Thai Red Cross Society (2 units) and Faculty of Medicine, Siriraj Hospital, Mahidol Univeristy (1 unit). This resulted in Thailand having the highest number of TrueBeam radiation machines in ASEAN region. This was the highest state-of-the-art technology in cancer treatment at the time in the region which was of equal quality as in the USA and European countries.

2014

November 19, 2014: The company increased its registered capital from 2 million Baht to 5 million Baht and released 30,000 more common shares, at 100 Baht value per share and offered these shares to the original shareholders proportionally to support the fast-growing expansion of the business

2015

June 12, 2015: The office was recolated to 92/45 Sathorn Thani 2 Building, 16th Floor, Sathorn Nua Rd., Silom, Bangrak, Bangkok to allow more convenience in coordinating with customers





2016

February 4, 2016: The Extraordinary General Meeting of Shareholders No. 1/2016 passed a resolution to increase its registered capital to 150.00 million Baht. By issuing new ordinary shares of 1.45 million shares at par value of 100 Baht to 100 Baht IPO. Offered to original shareholders in proportion. The restructuring costs for the preparation of a listing on the Market for Alternative Investment (mai).

March 12, 2016: Annual General Meeting of Shareholders for the year 2016 has approved the capital increase of 200.00 million Baht into ordinary shares of 400,000,000 shares at par value of Baht 0.50 per share, divided into ordinary shares from capital increase of 100,000,000 shares with a par. Baht 0.50 per share to be offered to the public initial public offering: IPO or 25 percent of the paid-up capital after the offering IPO.

March 21, 2016: The company was registered as a public company.

July 28, 2016: First day of trading of BIZ on the Market for Alternative Investment (mai).

2017

May 9, 2017: The company has signed a project centers treating cancer patients with protons radiotherapy at King Chulalongkorn Memorial Hospital

2018

January 12, 2018: Establishment of a subsidiary to operate specialized hospital for cancer treatment. The Company's shareholding proportion in the subsidiary Company totally 65.00%

November 14, 2018: Press Conference Grand Opening about "BIZGenes" Genetic Testing for Cancer Screening

2019

October 1, 2019 Soft opening Cancer Specialized Hospital "Sriracha Cancer Alliance Hospital" (CAH)

2021

October 26, 2021: the Extraordinary General Meeting of Shareholders No. 1/2021 approved the increase of the company's registered capital in the amount of 20,000,000 Baht from the original registered capital of 200,000,000 Baht to a registered capital of 220,000,000 Baht by issuing 40,000,000 new ordinary shares at par value 0.50 Baht per share to support the exercise of rights under BIZ-W1 warrants in the amount of not more than 40,000,000 units and to approve the allotment of newly issued ordinary shares in the amount of not more than 40,000,000 shares with a par value of 0.50 Baht per share to support the exercise of rights under Warrants to purchase the company's newly issued ordinary shares Business Alignment Public Company Limited No. 1 (BIZ-W1) in the amount of not more than 40,000,000 units issued to the existing shareholders of the company in proportion to their respective shareholdings (Rights Offering) free of charge in Allocation ratio 10 existing ordinary shares to 1 unit of warrant

2022

April 8, 2022: the Annual General Meeting of Shareholders for the year 2022 approved the increase of the company's registered capital of 110,000,000 Baht from the original registered capital of 220,000,000 Baht to a registered capital of 330,000,000 Baht.

2022

July 5, 2022: the secondary market for securities trading has been changed from mai to SET in Consumer goods sector and business category is Personal Products & Pharmaceuticals



AWARDS

- 2008** — The company was awarded the **“Award for outstanding achievement 100% market share FY 2006/2007”** from Varian Medical Systems Inc.

- 2010** — The company was awarded the **“Award for Record Orders FY 2009”** from Varian Medical Systems Inc.

- 2011** —

 - The company was awarded the **“Award for 100% for Thailand 2011”** from Varian Medical Systems Inc.
 - The company was awarded the **“Emerging Market Rising Star 2011”** from Thermo Fisher Scientific Inc.

- 2012** — The company was awarded the **“Award for placing order for a record 16M including TrueBeams”** from Varian Medical Systems Inc.

- 2013** — The company was awarded the **“Award for Excellent Sales Performance and Market Share”** from Varian Medical Systems Inc.

- 2017** — November 30, 2017: The company was awarded the **“SMEs Excellence Awards 2017” : Silver Award in Trading sector.** The key factors of certified small and medium enterprises must be operational for at least 2 years with a good management system, arrange by TMA.

- 2018** — March 23, 2018: Mr. Sompong Chuenkityanone received awarded **the Outstanding Executive of the Year 2018** in Business Administration and Management from one million merit projects.

- 2019** — July 24, 2019 The company was awarded the **“Special Recognition under Rising Star Awards 2018”** at National Director Conference 2019 by Thai IOD

- 2020** —

 - March 26, 2020 The company has been certified for quality management system standards. For distributors of medical instruments and devices **EN ISO13485: 2016** from TUV SUD Product Service GmbH, Germany
 - September 11, 2020 The company has been included in the **“ESG Emerging List”**, a listed securities firm with outstanding performance in environment, society and governance. ESG Emerging Group for the first time is a sustainable investment company.

- 2022** — The Company received SET Awards 2022 by the Stock Exchange of Thailand

 - 1) **Outstanding Company Performance Awards** for companies listed on the mai stock market and having a market capitalization of more than 1,500 million Baht
 - 2) **Outstanding CEO Awards “Mr. Sompong Chuenkityanone,”** the top executive of mai, guarantees leaders with visionary management of the organization to success.



General Information

Listed Company	:	Business Alignment Public Company Limited
Registration Number	:	0107559000079
Security Symbol	:	BIZ
Market	:	SET
Type of business	:	Consumer Products sector : Personal Products & Pharmaceuticals
Business Operations	:	Distribute and install medical equipments for radiotherapy treatment and maintenance service
Head Office Address	:	92/45 Sathorn Thani 2 Building, 16 th Floor, Sathorn Nua Road, Silom, Bangrak, Bangkok 10500 Tel : +66 2636-6828-9 Fax : +66 2236-3167
Website	:	www.bizalignment.com
Registered Capital	:	330,000,000.00 Baht
Paid-Up Capital	:	300,367,494.50 Baht
Par value per share	:	0.50 Baht
Type and amount of Outstanding Share	:	Ordinary shares, 600,734,989 Shares

Purpose of fundraising and expenditures : According to the company has issued 40,000,000 newly issued ordinary shares with a par value of 0.50 Baht per share to support the exercise of the warrants to purchase the company's ordinary shares No. 1 (BIZ-W1) in which the Company has allocated the warrants. Rights Offering to the Company's shareholders in proportion to their shareholding (Right Offering) by the issuance date of November 3, 2021, of which the total number of warrants allocated is 39,999,633 units, the exercise price is 7.00 Baht per share (However, the warrants to purchase the Company's ordinary shares No. 1 (BIZ-W1) have not yet been exercised. which the first exercise date is scheduled on May 2, 2022 and the last exercise date is on November 2, 2022 as the details follow;

• The number of shares issued to support the exercise of all rights totality	60,000,000	Shares
• The amount of money expected to be received from the exercise of all rights	280,000,000	Baht
• The number of units that have notified their intention (for the first time)	209,250	Units
• The number of units that have notified their intention (last time)	304,136	Units
• Number of shares arising from exercise (first time)	313,875	Shares
• Number of shares arising from exercise (last time)	456,204	Shares
• The total amount from 2 exercises of BIZ-W1 is equal to	3,593,704.97	Baht

Obligations committed by the company in the registration statement : None



Company's Revenue Structure

Revenue Structure based on Revenue Type

The company's revenue can be divided into 4 categories:

- 1) Sales revenue which comes from selling and installing the medical equipments and
- 2) Service revenue which comes from providing the maintenance service.
- 3) Construction revenue which derived from the project to establish a cancer patient center with proton particles.
- 4) Revenue from hospital operations, it is the revenue generated from a subsidiary (Cancer Alliance Company Limited) to operate a specialized hospital project for cancer treatment.

During 2020-2022, the company's revenue structure is as follows:

Revenue Type	Year 2020		Year 2021		Year 2022	
	million Baht	%	million Baht	%	million Baht	%
Revenue from Sales	527.04	68.88	2,593.12	88.38	786.41	63.67
Revenue from Service- Radiation Machine Operating Segments ¹	194.20	25.38	247.35	8.43	339.49	27.48
Revenue from Service – Genetic Testing Service Operating Segments. ¹	2.30	0.30	0.11	0.00	1.54	0.12
Revenue from Construction ²	0.82	0.11	5.23	0.18	0.00	0.00
Revenue from Hospital Operations ³	30.98	4.05	74.95	2.55	98.14	7.95
Total Revenue from Sales, Service and Construction	755.34	98.72	2,920.76	99.54	1,225.58	99.22
Other Revenue ³	9.79	1.28	13.38	0.46	9.62	0.78
Total Revenue	765.13	100.00	2,934.14	100.00	1,235.20	100.00

- Notes:**
- ¹ Revenue from Service includes revenue generated from maintenance service for radiation machine and other related equipments as well as revenue generated from software upgrades related to radiotherapy equipments and revenue from Genetic Testing.
 - ² Revenue from Construction is the revenue generated from the contract for the establishment of a cancer patient center with proton particles for King Chulalongkorn Memorial Hospital. The company received the project and started construction in the second quarter of 2017
 - ³ Other revenue includes interests, profits gained from currency exchange, Gain from adjustment of provisions And other income.
 - ⁴ Other revenue includes interests, profits gained from currency exchange, Gain from adjustment of provisions and other income.

Year 2020

Total Revenue
765.13
million Baht



527.04 ● Revenue from Sales
194.20 ● Revenue from Service- Radiation Machine Operating Segments
2.30 ● Revenue from Service – Genetic Testing Service Operating Segments.
0.82 ● Revenue from Construction
30.98 ● Revenue from Hospital Operations
9.79 ● Other Revenue

Year 2021

Total Revenue
2,934.14
million Baht



2,593.12 ● Revenue from Sales
247.35 ● Revenue from Service- Radiation Machine Operating Segments
0.11 ● Revenue from Service – Genetic Testing Service Operating Segments.
5.23 ● Revenue from Construction
74.95 ● Revenue from Hospital Operations
13.38 ● Other Revenue

Year 2022

Total Revenue
1,235.20
million Baht



786.41 ● Revenue from Sales
339.49 ● Revenue from Service- Radiation Machine Operating Segments
1.54 ● Revenue from Service – Genetic Testing Service Operating Segments.
0.00 ● Revenue from Construction
98.14 ● Revenue from Hospital Operations
9.62 ● Other Revenue



Comparison of financial figures for the year 2020 – 2022

As of 31 December	Year 2020	Year 2021	Year 2022
	million Baht	million Baht	million Baht
Total Revenues	765.13	2,934.14	1,235.20
Profit attributable to Equity holders of the Company	44.40	420.33	133.43
Total Assets	2,032.65	1,807.75	1,406.30
Equity attributable to owners of the Company	532.16	793.49	752.77

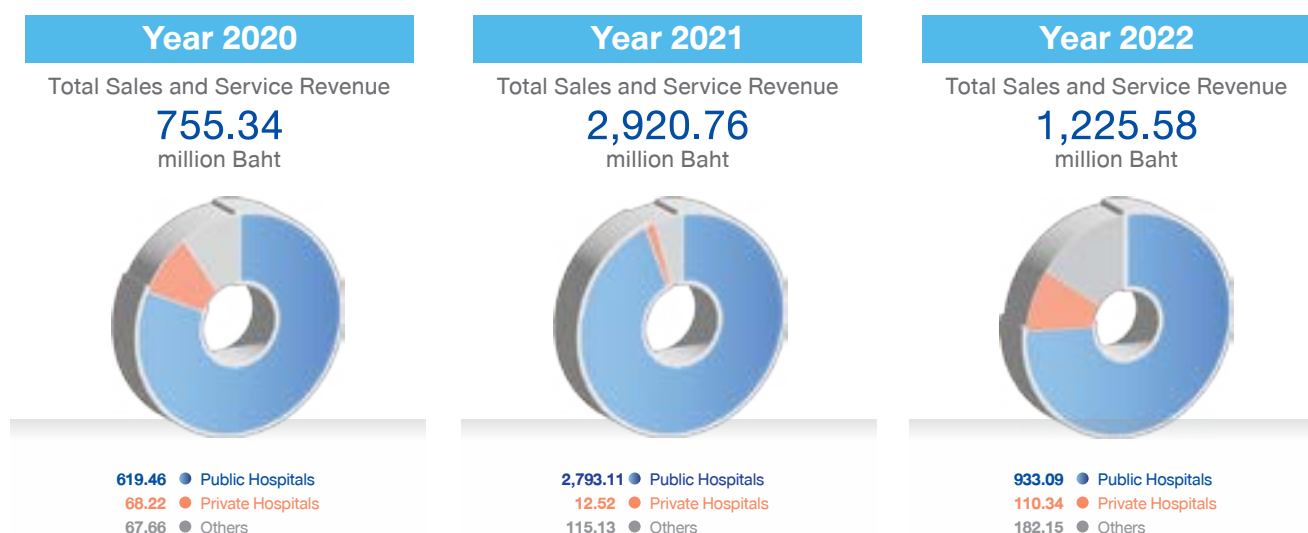


Sales and service revenue structure based on customer type

Sales and service revenue structure based on customer type between Year 2020-2022 is as follows:

Customer Type	Year 2020		Year 2021		Year 2022	
	million Baht	%	million Baht	%	million Baht	%
1. Public Hospitals	619.46	82.01	2,793.11	95.63	933.09	76.14
1.1 Hospitals under faculties of medicine ¹	302.75	40.08	2,044.09	69.99	587.37	47.93
1.2 Cancer hospitals ²	77.07	10.20	99.09	3.39	223.14	18.21
1.3 General hospitals ³	239.64	31.73	649.93	22.25	122.58	10.00
2. Private Hospitals⁴	68.22	9.03	12.52	0.43	110.34	9.00
3. Others⁵	67.66	8.96	115.13	3.94	182.15	14.86
Total Sales and Service Revenue	755.34	100.00	2,920.76	100.00	1,225.58	100.00

- Notes:**
- ¹ Hospitals under faculties of medicine includes hospitals in universities and medical schools of faculties of medicine or medical colleges which are mostly under the Ministry of Education. These are super tertiary care medical centers with highest capabilities in service and treatment readiness as they are for educational purposes in order to manufacture new medical personnel and conduct new research
 - ² Cancer hospitals include hospitals under the Medical Department which focus on developing their expertise in oncology excellence
 - ³ General hospitals include hospitals under the Ministry of Public Health which can be provincial hospitals, regional hospitals or district hospitals with tertiary care or super tertiary care capabilities
 - ⁴ Private hospitals mean private hospitals such as Bangkok Hospital, Phyathai Hospital Thainakarin Hospital.
 - ⁵ Others include departments or organizations which are not medical clinics or hospitals such as the Department of Medical Sciences, Office of Atom of Peace or Synchrotron Light Research Institute, including sales that occurred in Cambodia.



Sales revenue structure based on product type and job type

Sales revenue structure based on product type and job type during Year 2020-2022 is as follows:

Product Type and Job Type	Year 2020		Year 2021		Year 2022	
	million Baht	%	million Baht	%	million Baht	%
1. Teletherapy Projects and Brachytherapy Projects ¹	485.41	92.10	2,363.72	91.15	695.09	88.39
2. Equipment and System ²	6.10	1.16	83.72	3.23	54.23	6.89
3. Others ³	35.53	6.74	145.68	5.62	37.09	4.72
Total Sales Revenue	527.04	100.00	2,593.12	100.00	786.41	100.00

หมายเหตุ ¹ Sales revenue from Type 1 and Type 2 are project work types which include the value of other equipments in the project but the key equipments will be the teletherapy machines and brachytherapy machines respectively.

² Equipment and system includes the groups of equipments which are high technology equipments or systems such as radiation simulation machine, treatment planning system and radiotherapy patients database system. This can either be a project work type or a one-off sales work type

³ Others include the groups of equipments which are part of the key equipment such as applicators for afterloaders, or batteries. They could also be the groups of equipments which are for the treatment process such as quality assurance and pretreatment verification tool or gafchromic film.



Product Information

Business Alignment Public Company Limited or BIZ operates the distribution and installation of medical equipments for cancer treatment through radiotherapy by importing the equipments from world's leading professional in cancer treatment equipment and technology. The company's operations also include the maintenance service of the mentioned equipments. The key clients include hospitals under faculties of medicine, hospitals in the Cancer Hospital Group under Medical Department, Ministry of Public Health, other public hospitals, public health departments or organizations and private hospitals.

The company is the sole importer and exclusive distributor of radiation machine equipments for Varian Medical Systems Inc. and its affiliates, which is the world's leading company with great credibility and widely accepted among the medical industry personnel from all over the world as the medical equipment provider and modern software system for cancer treatment. The company has been trusted as the exclusive distributor for over 22 years. Additionally, the company also works with many suppliers overseas such as IBA Dosimetry GmbH (Germany), Thermo Fisher Scientific Inc. (USA), Xstrahl Limited (United Kingdom), Deltabit Oy (Finland), Vision RT Ltd (United Kingdom), Computerized Imaging Reference Systems, Inc. (CIRS) (USA), Radiation Product Design, Inc. (USA) and Ashland Inc. (USA). Beside from distribution, the company also provides maintenance service of the medical equipments to the clients who ordered from the company to ensure its functionality throughout its usage period.

The key product that the company offers is radiation treatment equipment especially the linear accelerator which is the key equipment in teletherapy. This product is highly important and has high value to the project. Moreover, the company acts as the solution provider which means the company is responsible for providing the equipment as well as a full circle service to ensure that our clients will be able to operate the machine to its highest effectiveness. Therefore, the company is responsible for providing everything starting from the construction process, renovation process to ensure the room is of high standard to increase to prevent radiation leak as well as providing other necessary equipments to ensure the effectiveness of the treatment such as treatment planning computer system, oncology information system, quality assurance and pretreatment verification tool and other supporting equipments. In addition, the company provides maintenance service to lengthen the usage life of the equipment.

Business Alignment Public Company Limited or BIZ operates the distribution and installation of medical equipments for cancer treatment through radiotherapy and offers maintenance service to the clients who ordered from the company. Nowadays, we are the exclusive distributor for main providers Varian Medical Systems Inc., distributor of Linear accelerators, treatment planning computer system, radiotherapy patient database system, distributor of Quality assurance and pretreatment verification tool. The company also works with many suppliers overseas including such as IBA Dosimetry GmbH, Germany, Thermo Fisher Scientific Inc. USA, Xstrahl Limited. England, Deltabit Oy Finland, Vision RT Ltd. England, Computerized Imaging Reference Systems, Inc. (CIRS) USA, Radiation Product Design, Inc. USA, Ashland Inc., USA. All of them are high quality products and accepted by medical personnel both in Thailand and overseas.



The company can categorize its product and service types based on revenue type as follows:

1. Revenue from Sale generated from the distribution and installation of the following equipment types:

1.1 Treatment Delivery Equipment

This is the main equipment that the company sells which is the equipment used in radiotherapy and is of the highest value when compared to the other functions or equipment types of the company. Treatment Delivery equipments as detail follow;

- **Linear Accelerator**

Used for teletherapy cancer treatment by using radiation from high energy x-ray far from treatment area onto the cancer cells area to destroy them. This is an equipment with state-of-the-art technology, high accuracy and can be used on several cancer cells area in the body. That is why this equipment is the main revenue source for the company today.

The Linear Accelerator that we import is from Varian Medical Systems Inc. and its group of companies ("Varian") who is the world's leader in radiotherapy technology, proton beam therapy and mineral implant therapy. We can say that Varian is the well known provider and distributor of high quality radiation therapy equipments among the medical industry both domestically and internationally.

- **Proton Therapy**

That's product used in the treatment of cancer by remote radiation by proton radiation that derived from a particle accelerated by a particle accelerator. Proton radiation has a distinctive feature called "Bragg peak". The ability to penetrate lower body x-rays. It does not penetrate the tumor. Therefore, it can transfer energy to destroy tumors or cancer cells as well. And the good tissue or normal organs around the lesion, or the tumor mass, in the way the radiation passes, gets less energy. It is less damaged or damaged by proton radiation. Proton bombs can also adjust the size and intensity of radiation. The proton beam can be fired into the tumor precisely. Therefore, it is possible to destroy tumors or cancer cells precisely while the normal organs in the vicinity are receiving the least amount of radiation or not. Therefore, the treatment of cancer patients with radiation is the most effective and reduce the side effects of treatment even more.

- **Brachytherapy Afterloader**

Used for brachytherapy cancer treatment by placing the fully covered radioactive, namely Iridium 192, near the treatment area into the affected parts of the body. This type of treatment allows the high volume of radiation into the affected body parts accurately and can reduce the harm to the tissue surrounding the cancer cells so it is suitable for certain types of cancer only.

1.2 Equipment and System Type

This equipment type relates to high level technology equipment and system which is used together with the radiation machine in the radiotherapy process. The key equipment in this group include hardware and software system for treatment planning system, oncology information system and radiation simulation.

- **Treatment Planning System**

This is a software system used in planning the treatment to ensure accuracy in the radiotherapy process and prevent any harm that may happen to the surrounding tissue which can cause more harm to the patient. The software system uses state-of-the-art computer system and can plan the treatment in different ways such as 2D or 3D treatment, Intensity Modulated Radiation Therapy (IMRT), Volumetric Modulated Arc Therapy (VMAT) by using the x-ray film of the patient from the treatment 3D simulation machine to support the treatment planning process.



Radiologists can accurately determine the shape and size of the designated treatment area or body parts. Medical physicists can plan the treatment in different techniques and process the calculation to see how the radiation spreads in the cancer tumors. Then, radiologists can assess to select the best treatment for each patient. The spread of radiation must cover as much of the cancer tumors as possible and least affect the surrounding body parts but must also meet the set criteria. Once the radiologists agrees with the plan, the medical physicists will send the treatment plan to the linear accelerators through the computer network system to begin the treatment.

- **Oncology Information System**

This is a software system used to record and verify the level of radiation the patient is receiving throughout the treatment process. It is also the information system that supports the hospital's electronic medical records and patients' appointment system in radiotherapy and oncology clinics for radiotherapy and chemotherapy patients. It can also support the administration of the image information in radiotherapy in order to check for accuracy of the radiation area and location.

1.3 Other Equipment

These are the supporting equipments for the key equipment such as applicators for the Afterloader or the group of equipments that is used in supporting the treatment process such as the Quality Assurance and Pretreatment Verification Tool, Gafchromic film, Motion Detector during radiation process and patients' immobilization solution

2. Revenue from Services

Service revenue comes from 2 types of services as follows:

- 2.1 Service revenue comes from the maintenance services for the medical equipment after the warranty period is over according to the sales contract. This warranty usually lasts 1-2 years after the handover of the equipment depending on each agreement.
- 2.2 Service revenue from genetic testing services to examine a person's lifestyle, such as food intake exercise and skin care as well as being able to check the risk of developing common cancers. The results of the examination will be in an individual format. This is the revenue that the company provides for gene mutation testing and sent to the genetic laboratory. It takes time to examine and analyze the results with Next Generation Sequencing (NGS) technology, which the results are certified by a medical professional.

3. Revenue from Construction

The revenue from structure derived from the project to establish a cancer patient center with proton particles for King Chulalongkorn Memorial Hospital. The company received the project and started construction in the second quarter of the year 2017 and revenue from construction ends in the year 2020.

4. Revenue from hospital operations

Revenue from hospital operations It is the revenue generated from a subsidiary (Cancer Alliance Company Limited) to operate a specialized hospital project for cancer treatment. The Company will recognize revenue in proportion to its investment in the said subsidiary at 73.97%.



Images of different models of Linear Accelerators



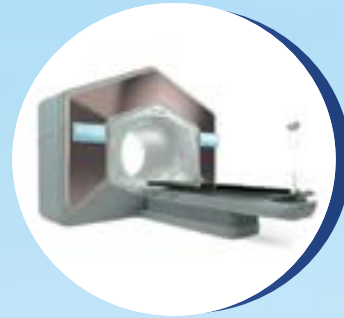
Linac Model : Edge



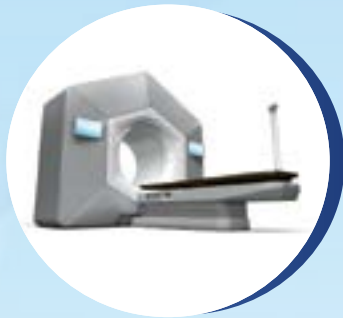
Linac Model : True Beam



Linac Model : Vital Beam



Linac Model : ETHOS



Linac Model : Halcyon



Linac Model : Clinac iX



Brachytherapy Afterloader



Cyclotron Probeam Therapy

Marketing and Competitions

Marketing Strategy

The linear accelerators and other supporting equipment imported and distributed by the company are considered unique with high technology application. This means that in the overall business conditions, there are only a few companies in the market and the expert personnel in the mentioned equipment also play a vital role in driving the business. Therefore, the company employs the following marketing strategies on the competitors and target customers.

1) Product Strategy

The company's policy primarily focuses on the quality of the product because the product is related to the quality of life of cancer patients as well as the patients' loved ones. Therefore, the company focuses on the quality of the product as its first priority by only selling products of international standard and that are well-accepted among the medical personnel both domestically and internationally. Most products are imported from overseas suppliers who have been certified on their production standard in different types such as Good Manufacturing Practice (GMP) and Quality Management System such as ISE 13485:2003 as well as certified by the Food and Drugs Administrations. All products sold by the company must have sales certification documents and quality control process certification documents from either public or private organization that the government of that country and must be tested by the Food and Drugs Administration according to the 2006 Ministry of Public Health announcement (Issue 34) under the Medical Device Act 1988. The company distributes from 2 companies which are Varian Medical Systems, Inc. and Mobius Medical Systems, LP (USA) along with many key suppliers in different countries such as IBA Dosimetry GmbH (Germany), Thermo Fisher Scientific Inc. (USA), Xstrahl Limited. (UK), Deltabit Oy (Finland), Vision RT Ltd. (UK), Computerized Imaging Reference Systems, Inc. (CIRS) (USA), Radiation Product Design, Inc. (USA) and Ashland Inc. (USA) which are all of high quality and well-accepted by the medical personnel both domestically and internationally.

Beside from focusing on product standard, the company also has the policy to run the business as a solution provider in cancer treatment. This means that the company not only provides and sells the linear accelerators and their related products, it also looks after the constructions and renovations of the space to be suitable for radiotherapy cancer treatment. From this, the company is also able to fully serve the clients' needs and gain trusts from the clients until today.

Beside from distributing and installing the linear accelerators for radiotherapy, the company also places its value on the after sales service especially maintenance service on the equipment for clients who ordered from the company. This helps the equipment to run at its full effectiveness through its usage life as we know that without the proper maintenance and fixing, the equipment couldn't run properly and could affect the cancer patients receiving the treatment.

As for the aspects of providing genetic testing services to screening for cancer risk which is the addition of new products. In the form of services provided by the company, having a contract with a company that has direct expertise in cancer genetics and has a laboratory that meets international quality standards Including inspection tools that have the most modern technology and it also emphasizes the importance of checking the results by specialized experts that have been properly inspected, hence, the customers would receiving the service can be used in the care planning cancer at the point.

2) Price Strategy

The company has the policy in setting the pricing by adding the proper profit rate to the cost of the product known as Cost Plus Margin. Pricing of the product will be controlled based on the related cost such as product cost, insurance and delivery cost, exchange rate risk, installation cost plus import duty and margin by basing on the price of the production company which is a Free on Board (FOB) or Carriage and Insurance Paid To (CIP) type. The company also uses credit services to import Letter of Credit (L/C) products or Trust Receipt (T/R) products as well as setting up forward foreign currency contracts from financial institutions to reduce the risk from the fluctuation in currency exchange. The payment method depends on the agreements and conditions as agreed in the purchasing contracts which differ for each client.

For the maintenance service that occurs after the warranty period, the company will charge based on Cost Plus Margin also.

Genetic testing services for personal health care planning including cancer risk screening, the company will calculate the cost by adding the cost-plus margin from the laboratory's quotation which is the price that the company proposed to the hospital or clinical. However, the price of genetic testing to screening for cancer risk in each hospital or clinic that provides the service will be difference it depends on the hospital and clinic that will set the service price according to the service standards of each location.

3) Place Strategy

As the product and service of company is the medical tool for cancer treatment which aim at the clients in medical industry, the company needs our personnel in sales, marketing and after sales to be well informed in the product and service in order to provide the correct advice to the clients and point out the benefits gained from using the products and services of the company. Therefore, our sales team is the key in our distribution success.

The product and service presentation will be operated by the sales and marketing department which has 2 main access to the clients, one is from following the notice of procurement of the government sectors and the other is from receiving the direct contact from clients. In the past, most high value sales come from the notice of procurement of the government sectors. From this, there are 2 ways to go which is either through electronic bidding or through special procurement process which follows the government procurement process set by the Comptroller General's Department, Ministry of Finance. Due to the nature of the product which is unique and has a lot of details, the procurement must pass the Terms of Reference (TOR) from the government procurement process. For the sales of smaller values products usually come directly from the client to the company.

Beside from following the notice of procurement above, the company also sets strategies to meet the target clients to inform them of the development and advancement in the product periodically to allow those target clients to realize the importance of these equipments and be able to continuously serve the growing needs of cancer patients. If any clients become interestesed, they will contact the company directly for more information and start the procurement process based on the client's internal process. Moreover, the company also coordinates with the target clients and offers sessions or seminars to provide knowldge about the products before they make their final decision.

For genetic testing services to screening for cancer risk, as a distributor of products (services),it is responsible for promoting and publicizing sales and provide information to customers in both the direct group which are customers or those interested in the services that ask and prefer to receive services directly, and in the In-direct customers group are personnel medical team and hospital related persons and also the leading anti-aging clinic for the hospital, and the anti-aging medicine clinic that will bring information about genetic testing to screening for cancer risk to recommend to customers who are interested in hospital services for further acknowledgment.



4) Promotion Strategy

As this is a business that requires specific expertise with unique users and few competitors, the company does not do PR. Also, because we have been trusted by the people in the medical and radiotherapy industry both in terms of product quality and after sales service, there is no need for the company to do lots of PR. Moreover, the company cannot run advertisement on the product due to the restrictions announced in the 2010 FDA Announcement regarding the criteria, procedures and conditions in advertising medical tools, number 3.2.4 which stated that one shall not advertise the dangerous medical tools which the linear accelerators are qualified as one of the dangerous tools. However, the product that the company imports is well-known and well-accepted worldwide among the radiotherapy doctors and experts.

However, the company runs continuous marketing activities and public relation activities to promote the company and inform clients about the product knowledge on a regular basis through seminars and academic fairs of Thai Association of Radiation Oncology and Thai Medical Physicist Society which are organized specifically for the medical personnel to promote the products to the directly concerned party and to build a strong image of the company and build brand recognition and brand awareness to the target clients.

For providing genetic testing services for personal health care planning including cancer risk screening. The company takes a focus on providing information and publicizing the service through specialist doctors and medical personnel in this particular area to build credibility with service users. Including public relations through various media, both online channels such as the company's website, Facebook, products and publications that the target audience is interested in.

Characteristics of customers and target customers

Most of the company's customers were hospitals under the medical university. Specialized Cancer Hospital, General hospital and the leading private hospitals in the country. The Group's customers can be classified into the following categories:

1. University hospitals under the Faculties of Medicine such as Faculty of Medicine, Siriraj Hospital, Mahidol University, Chulalongkorn Hospital, Thai Red Cross Society, Faculty of Medicine, Ramathibodi Hospital, Mahidol University, Srinagarind Hospital, Faculty of Medicine, Khon Kaen University and Songklanagarind Hospital, Faculty of Medicine, Prince of Songkla University
2. Specialized hospitals such as Lopburi Cancer Hospital, Chonburi Cancer Hospital, Ubonratchathani Cancer Hospital, Maha Vajiralongkorn Thanyaburi Hospital Patumthani, Chulabhorn Hospital and Bangkok Cancer Detection and Treatment Center
3. General hospitals such as Sawan Pracha Rak Hospital, Maharat Nakhon Ratchasima Hospital and Bhumibol Adulyadej Hospital, Roi-ed Hospital, Maharat Nakornratchasima Hospital, Phrapokklao Chantaburi Hospital.
4. Specialized Cancer Hospital such as Wattanosoth Cancer Hospital (Bangkok Dusit Medical Services) and Bangkok Cancer Hospital.

For customers of genetic testing services to plan personal health care to screening for cancer risk, the main customers are considered general private hospitals such as Samitivej Sukhumvit Hospital, Samitivej Srinakarin Hospital, Phyathai 1 Hospital, etc. and various anti-aging clinics such as Yos Clinical ID-Life Clinic. Currently, the main services are only available. In hospitals and clinics in Bangkok, however, in the future, there are plans to expand to other regions.

Industry Situation

1) Situation of the hospitals in Thailand with radiotherapy service

At present, the list of hospitals in Thailand in tertiary level and super tertiary level and the hospitals with radiotherapy service are as follows:

Public Hospitals	Number of Hospitals ^{/1}	Hospitals with Radiotherapy Service ^{/2}
University Hospitals	25	11
Cancer Specialized Hospitals	9	9
General Hospitals	38	16
Total Public Hospitals	72	36
Private Hospitals	Number of Hospitals ^{/1}	Hospitals with Radiotherapy Service ^{/2}
University Hospitals	2	1
Cancer Specialized Hospitals	5	5
Large Private Hospitals (more than 250 beds)	21	7
Total Private Hospitals	28	13
Total Public and Private Hospitals	100	49

Sources: ^{/1} Number of hospitals taken from Thai Association of Radiation Oncology

^{/2} Number of hospitals with radiotherapy service taken from Business Alignment Public Co., Ltd.

Note: Number of hospitals shown will only include hospitals in tertiary and super tertiary levels which are large sized hospitals and the target clients of the company

2) Situation of the Cancer Patients

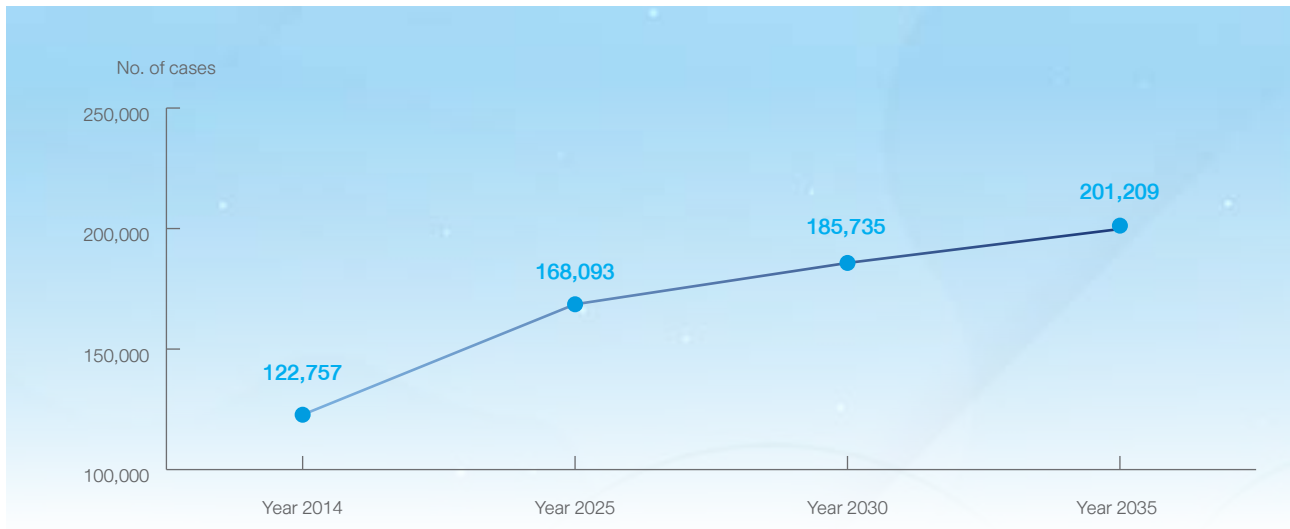
The present, Cancer is the most commonly found disease and one of the first causes of death around the world. Death from cancer accounts for 15% of all death causes. The World Health Organization found that in year 2018, there were 18.1 million new cancer cases and 9.6 million deaths from cancer, with the top 5 found in the world being lung cancer, cancer Intestinal cancer Prostate cancer And stomach cancer It was 1.8 million people who died from lung cancer, 881,000 nasal cancer, 783,000 stomach cancer, 782,000 liver cancer and 627,000 breast cancer.

In addition, The International Agency for Research on Cancer (IARC), which is a unit of the World Health Organization (WHO), has been reported in The Lancet Oncology. It is predicted that by 2030 the country with a standard of living, such as countries in South Africa, China and India, the cancer rate will increase to 78%, while countries with a low standard of living will have a higher cancer rate up to 93%, because they adopt more Western-style health-enhancing lifestyles in their lives.

The estimates of the incidence of cancer in Thailand from the World Health Organization show that the incidence of cancer in Thailand is likely to increase. In the year 2014 total 122,757 new patients by males 59,662 patients and 63,095 were women. The Strategy and Planning Division Ministry of Public Health Reported that in year 2019, Thailand have 84,073 patients died of cancer, 48,078 is males, 35,995 is females which has increased the mortality rate from the previous years. (Source: Public Health Statistics, year 2019) It is estimated that the incidence of cancer cases in Thailand was found. In the year 2025 total 168,093 patients. In the year 2030 total 185,735 patients and in the year 2035 total 201,209 patients.



Predicting the incidence of cancer cases in Thailand

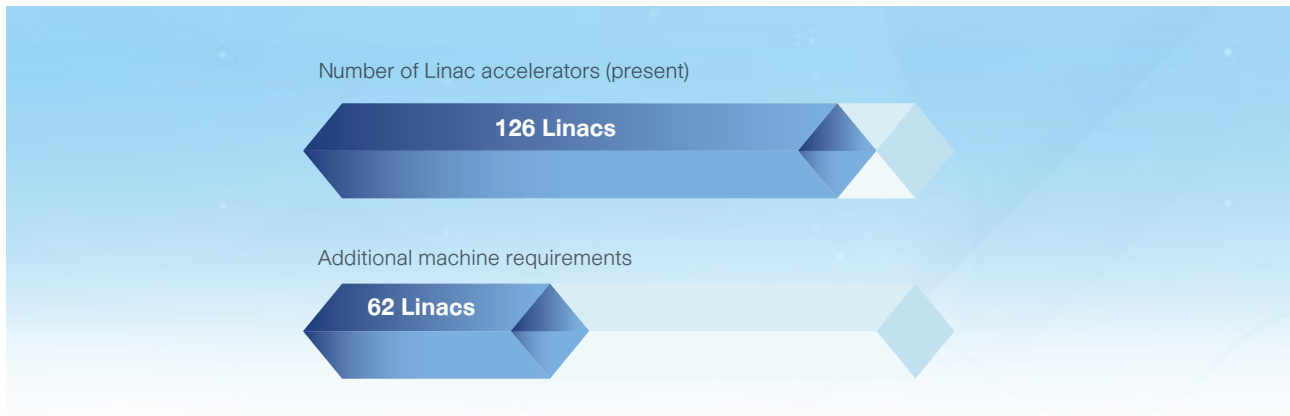


From the data “the proportion of causes of death with cancer compared to the total deaths in Thailand”, cancer has been the number one cause of death among Thai people since 1999, and Thai people There is a tendency to increase cancer mortality every year. Due to the changing environment and social factors such as the expansion of urban society Entering the aging society Marketing strategy Advancement in technology and communication Is a factor that causes the rate of cancer to rise Found that from 2007 to 2014, there are 50,000-70,000 Thai people die from cancer each year, accounting for 13.59-16.09%, with the cancer mortality rate increasing steadily and also the number one cause of death for Thai people.

3) Situation of the Radiotherapy Equipment in Thailand

At present, the medical equipment related to radiation is continuously expanding. But there are still insufficient amounts of cancer patients seeking radiotherapy. The new cancer patients forecast from WHO suggested that the number is likely to increase. Despite cancer being the number one cause of death in Thailand, patients today still do not have access to the necessary radiotherapy treatment as 1 linear accelerator can support approximately 400-500 patients per year (data from Oxford University research in association with International Network For Cancer Treatment and Research (INCR) by Mr. Massoud Samiei under the topic “Challenge of Making Radiotherapy Accessible in Developing Countries”, 2013) However, today the data from Thai Association of Radiation Oncology in the year 2019 suggested that Thailand has only 81 LINAC while the number of cancer patients is expected to high increase which the research from Oxford University in association with International Network For Cancer Treatment and Research (INCR) by Mr. Massoud Samiei under the topic” Challenge of Making Radiotherapy Accessible in Developing Countries”, 2013 pointed out that at least 50% of cancer patients need to be treated with radiotherapy. Therefore, this brings the ratio of cancer patients to LINAC in year 2020 to 700:1 which is more than the capacity that Thailand currently has. The number suggested that Thailand needs at least 188 LINAC to support the cancer patients which means an additional 126 LINAC Shortage 62 LINAC. (Source: LINAC Capacity Data from International Network For Cancer Treatment and Research (INCR) by Mr.Massoud Samiei under the topic “Challenge of Making Radiotherapy Accessible in Developing Countries”, year 2013 and Number of LINAC from Thai Association of Radiation Oncology.

Estimates of 188 particle accelerators that should be available in Thailand



Apart from the needed LINAC mentioned above, there is also a need for replacing the Cobalt-60 Machine with the LINAC due to its treatment limitation. At present, there are 5 Cobalt-60 Machine in Thailand which is in need of replacement to increase the effectiveness in the treatment according to the reasons stated above. There have been 4 active suspension for reasons of efficacy. For this reason, together with the need for 63 additional LINAC mentioned above, the market needs a total of 68 additional LINAC. (Source: Number of LINAC from Thai Association of Radiation Oncology)



Competition Situation

LINAC Manufacturers

As manufacturing a LINAC requires advanced technology, there is not a lot of manufacturers in the market. Today Thailand cannot manufacture its own LINAC either so importing the machine from overseas companies such as Varian Medical Systems, Inc. (USA) or Elekta AB (Sweden) is still required. The 2 mentioned companies are considered as the main manufacturer and distributor in LINAC in the world. There is also LINAC imported from China which has very low market share and so far Thailand has not imported any from China.

Genetic testing service providers for personalized health care plans and cancer screening

Genetic testing services is not a new service that has just been born in Thailand. But it's a service that has been around for a long time. But the information is not yet accessible to the general public to know that at present there are services that can examine the DNA genetic level in order to be able to understand the health conditions related to the lifestyle of the individual including the risk of cancer, that may be inherited from genetics or from environmental stimuli that can cause cancer including that the general public will not see the importance and/or necessity of knowing such information in advance for use in planning their own health care and future including not receiving information that what modern technology is there today? That can analyze these results Therefore, the current competition Therefore, it is a competition in providing knowledge, both directly and indirectly, for groups of people to know and have access to services.

Competitions in Thailand

The import of medical equipments is a fast-growing industry especially ones with advanced technology such as linear accelerators. Today there are only 2 companies which import and distribute the linear accelerators, and our company is the exclusive distributor of LINAC from Varian Medical Systems, Inc. (USA) while our competitor imports from Elekta AB who is also the key competitor of Varian in the world market. This allows the 2 mentioned companies to dominate the LINAC industry in Thailand



From preliminary information, the number of radiation machine in Thailand. It can be classified according to the domestic market share as follows:

No.	Radiation Machine	Number of machines	% Market Shares
1	Linac Varian	66	52.80
2	Linac Elekta	38	30.40
3	Other accelerators and/or old technology	21	16.80



Product and Service Provider

The company operates the business as the solution provider in radiotherapy to hospital clients. Therefore, the distribution of the product focuses on projects which means that the company also takes on the responsibility of construction and renovations of the radiotherapy room as well as providing and installing supporting equipments related to radiotherapy treatment to make sure that it works efficiently. Then the company will hand over to the clients once all of the projects is completed.

As a project work, the company must find personnel in all related aspects such as constructions, renovations, installation and maintenance. The company also looks after the procurement of the equipments needed for the effective treatment and installation of the equipments to ensure that the machine can work perfectly.

In distributing the radiotherapy medical equipments such as LINAC, Treatment Planning System and Radiotherapy patients database system, the company imports products from Varian Medical Systems Inc. and its group of companies (“Varian”) and the company is appointed as the exclusive distributor of Varian in Thailand. For other products, the company imported and purchased from overseas suppliers such as IBA Dosimetry GmbH (Germany), Thermo Fisher Scientific Inc. (USA), Xstrahl Limited. (UK), Deltabit Oy (Finland), Vision RT Ltd.(UK), Computerized Imaging Reference Systems, Inc. (CIRS) (USA), Radiation Product Design, Inc.(USA), Ashland Inc.(USA) etc.

For genetic testing services for cancer screening, the company entered into a distributor agreement with AtGenes Company Limited which has been certified according to laboratory standards ISO15189-2012 and ISO15190-2003, which is a company that engages in business by providing services related to genetic testing By diagnosing at the extensive gene and DNA level, covering various genetic diseases found in Thailand and in Southeast Asia. With a contract term of 3 years minimum and can be automatically renewed for 3 years at a time. And also expanding cooperation with GenePlanet, a European company specializing in comprehensive health diagnostics genetic testing, will expand its products and services to more comprehensive and responsive health care needs.



Recruitment

Staff of Project and warehouse of the company are responsible for assessing the possibility of the installation of different equipments, system wiring, and installation for equipments used in the radiotherapy room, radiotherapy simulator room and afterloader room. They are responsible for coordinating with the engineers, architects, project consultants and clients to prepare the space and other things to be ready for the installation as well as assessing and following up on the project to ensure that it is completed according to the project time frame. They are also responsible for coordinating with the sales team and the clients in providing the necessary equipments that match the clients’ needs. Therefore, the project and warehouse of the company must have the engineering or radiology knowledge or have worked in medical physics.



For the installation process especially the Varian products, the manufacturer will install for the clients.

For the maintenance service, our after sales personnel will coordinate with the manufacturer team to run system check up for all LINAC and important software system. For the maintenance of the afterloader, the company's after sales personnel will be responsible for changing the minerals as scheduled.

For these reasons, the company puts an emphasis on selecting the personnel who has the expertise in the area and has passed the training from the manufacturing company and has some past experience in the maintenance of medical equipments for cancer treatment.



Contractors

In the pre-installation process, some clients will ask the company to take charge of the constructions or renovations of the space for the LINAC to match the international standard and be suitable for the use of the machine. Therefore, the company has to hire outsource contractors to do this. These contractors include constructions worker, designers and build-in designers as the company does not have its own contractors.

As LINAC is a high radiation machine, the installation process must be done in a specifically designed room to prevent any danger that may occur from the radiation. This is why the company needs to select the suitable and professional contractors to do this. The company has a set selection criteria for these contractors to ensure satisfactions to all our clients.

The process of procuring a contractor is to find the suitable price, by the company set the conditions and requirements to be used in the selection of each project, such as the project's format Standard equipment used set time for completion including the estimated budget for the project, etc., as the customer's needs vary from project to project. Take into account whether there is completeness as desired and defined or not. If there is any information missing, the contractor will take action or send more. Then it will take into account which contractors are selected will be able to work and take the next step, unqualified person or submit a bid that does not meet the conditions or requirements will be cut off.



Sales and Maintenance Process

Sales Process (through electronic bidding and special procurement)

1. Product Presentation and Consideration Process

For the procurement process, clients have 2 options which depends on the detail and the complexity of the product.

1.1. Electronic Bidding

1.1.1 When client has the desire to purchase the product, the procurement board will invite the LINAC distributors to present the information to the board to support the drafting of the Terms of Reference (TOR).

1.1.2 After the initial product presentation, the sales team of the company will follow up on the procurement announcement of the company and draft the TOR according to the announcement on the clients' websites and government's procurement website by the Comptroller Generals' Department, Ministry of Finance. The company will review the announcement to see if the company has the right qualifications according to the announcement or not by looking at the TOR. If so, the sales and marketing team of the company will calculate the costs, and in the case where the space renovation is needed, the company will assign the engineer, architect and company consultant to inspect the area and assess the cost of constructions or renovations and add it to the original costs. Then the administration team will prepare the quotation for the bidding.



1.2. Special Procurement

If the clients wish to purchase through special procurement process, they must appoint a special procurement board to set the estimate cost and prepare the details of the needed equipments and invite the companies to present the quotation.

2. After the company has received the selection process results or has been invited by the clients to be the provider or distributor from one of the above processes, the company will contact its partners overseas to prepare the purchase order according to the project and prepare the necessary documents to process the loan from the bank as well as any other necessary documents for contract signing
3. In the case that there is a need to prepare space before installation. The company will coordinate external contractors to carry out the construction or renovation of the area, including the construction contractor, designer and internal installation contractor (Build-in) to implement renovate the place. To support the installation of radiotherapy products with various systems and accessories. The company will monitor the work process of the contractors closely to ensure the necessary standard is met.
4. After the product has been delivered to Thailand, the company will process the installation of the product in the designated space according to the clients.
5. Once the installation is complete, the company will set up an appointment with the client for quality inspection before the hand over. This will also include any necessary trainings, both domestic and overseas, to doctors or related officers so that they are able to operate the machine correctly.
6. The company hands over the project to the client and billing for payment according to the terms in the contract.
7. The company provides the maintenance service to the equipment according the agreed warranty period as stated in the contract.

Maintenance Service Process

A continuous maintenance service helps the equipment to last longer and work effectively throughout their usage life. The company will issue a contract regarding the maintenance agreement between the company and the client that the company will provide the maintenance service every time there is an issue or when the maintenance period is due to ensure that the equipments can work to its highest capacity throughout its usage life period. Each contract is for 1 year and most of our clients will renew this contract on a regular basis because without a proper maintenance, the machine cannot run effectively. The company also provides maintenance services to equipments that are not in the maintenance agreements on a case by case basis depending on the issues that have arisen such as Chiller system maintenance or air-conditioning system maintenance. Moreover, the company also provides upgrade services to the software system related to radiotherapy which helps the system to be more effective such as software upgrade for the treatment planning system.

The company has a clear policy in handing over the equipments which must be accurate according to the agreed time frame in the contract including the quality of the product must be according to the purchasing agreement as well as the commitment in quality control of the installation and maintenance service throughout its usage life.



Assets in Business Operations

1. Assets Table as of December 31, 2022

(Unit : million Baht)

Asset Types	Asset Description	Ownership	Contingencies	Net Value	Usage
1. Equipments	Small medical equipments	Company owned	-No-	0.77	To use in installing and quality vision and missioninspection of the radiotherapy system
2. Office Supplies	Office supplies used at the company's office	Company owned	-No-	0.99	To use within the office
3. Rental Office Renovation	Renovation of the company's rental office located at 92/45 16 th Floor, and 92/32 14 th Floor, Sathorn Thani 2 Building, Sathorn Nua Rd., Silom, Bangrak, Bangkok	Company owned	-No-	1.63	To use within the office
4. Business office	92/32 14 th Floor, Sathorn Thani 2 Building	Company owned	-No-	18.04	To use within the office
Total				21.43	

Intangible Assets

As of December 31, 2022, the company's intangible assets include computer programs whose net value is 0.88 million Baht

Important Contracts in Business Operations

- Distributor Agreement in Thailand and Cambodia about radiotherapy Products with Varian Medical Systems Pacific, Inc.

2 Investment in the Subsidiary Companies and Associates

To consider an investment in a subsidiary company or associate, the company will focus on the business that will support and benefit the operations of the company first by taking into account the profits, risk and liquidity of the company carefully. The investment must be considered by the Board of Directors and Shareholders Meeting according to the approved authorization and must be done in accordance with the requirements and announcement of the Capital Market Supervisory Board and the Stock Exchange Market of Thailand as well as any related laws, rules and regulations and order announcements. The company will monitor the consideration by assigning members of the board of directors or the directors of the companies as a board member to control the direction and policy in management to align with company's business operations.



- As at December 31, 2018 the company invested in subsidiaries company held the Extraordinary General Meeting of Shareholders No. 1/2018 held on January 9, 2018. The meeting approved the investment in specialized cancer hospital. The company set up a joint venture with a registered share capital of 200 million Baht divided into 2,000,000 ordinary shares with a par value of 100 Baht each. The company will hold 65.00% of the registered capital. It was registered with the Ministry of Commerce, the company name is Cancer Alliance Co., Ltd. on January 12, 2018.
- As of December 31, 2021, the Company has investments in subsidiaries, which arises from the resolution of the Extraordinary General Meeting of Shareholders of the Subsidiary No. 1/2021, held on July 23, 2021 to approve the increase of the Company's registered capital from 200,000,000 Baht (two hundred million Baht) divided into 2,000,000 common shares (Two million shares) at a par value of 100 Baht (one hundred Baht) to a new registered capital of 250,000,000 baht (two hundred and fifty million baht only) divided into 2,500,000 ordinary shares (two million and five hundred thousand shares). this time in proportion to 65.00 percent, representing the number of newly-issued shares in proportion to 325,000 shares, representing 32,500,000 Baht, which on July 29, 2021 had already paid for 40% of the capital-increasing shares, amounting to 13,000,000 Baht, remaining Another 60% is expected to call for capital increase by the middle of year 2022.
- As of December 31, 2022, the Company has invested in subsidiaries from the resolution of the extraordinary general meeting of shareholders of Cancer Alliance Co., Ltd. on July 21, 2022 had a special resolution approving the increase of the registered capital from the original amount of 250 million Baht (2.5 million ordinary shares, 100 Baht per share) to a new registered capital of 350 million Baht (3.5 million common shares). at the par value of 100 Baht per share) by issuing 1 million new ordinary shares at the par value of 100 Baht per share to shareholders in proportion to the number of shares held by each shareholder. and because some shareholders did not fully exercise their rights according to the amount they received The company therefore intends to exercise the right to purchase the remaining shares from that group of shareholders in the amount of 314,000 shares, representing a capital increase of 31.4 million Baht and on July 25, 2022, the company paid investment in a subsidiary in the amount of 96.4 million Baht (964,000 ordinary shares, paid-up 100 Baht per share), resulting in the shareholding proportion from 65 percent to 73.97 percent in the said subsidiary.

Unfinished Project

The company has projects that have not yet been delivered with a value that is more than 10 percent of the total revenue according to the consolidated financial statements for the year 2022, totaling 6 projects with a total value of 1,389.71 million Baht with delivery date for all projects within the year 2023.

(Unit : million Baht)

No.	Project	Project Value	Expected Delivery Date
1	Distribute and installing radiation treatment machines(1)	423.22	within the year 2023
2	Distribute and installing radiation treatment machines(2)	250.00	within the year 2023
3	Distribute and installing radiation treatment machines(3)	142.50	within the year 2023
4	Distribute and installing radiation treatment machines(4)	241.00	within the year 2023
5	Distribute and installing radiation treatment machines(5)	207.00	within the year 2023
6	Distribute and installing radiation treatment machines(6)	125.99	within the year 2023
Total		1,389.71	

However, the accounting standards to recognize the revenue of the company specifies that the revenue will be recognized once the project is complete and handed over. Therefore, if the mentioned unfinished project postpones its hand over date or fails to hand over according to schedule, which mostly occurs due to the unreadiness of the hospital or the space where the machine needs to be installed, this will affect the hand over date and the revenue recognition of the company for each accounting term.



Group of shareholding structure

The company converts into a public company. Register number is 01075 5900 0079 on March 21, 2016 and as of December 31, 2022. The company has the shareholding structure of the group companies as follows



From the shareholding structure, no person with possible conflict of interest holds more than 10% of the shares with voting rights of the company.

Relations to Business Groups of Key Shareholders

Related Company

Sathorn Sixteen Company Limited

Established Date	July 10, 2014
Head Office Address	92/45 Sathorn Thani 2 Building, 16 th Floor, Sathorn Nua Rd., Silom, Bangrak, Bangkok
Business Operations	Real Estate Rental
Registered Capital	1 million Baht
Paid-up Capital	1 million Baht
Relations	Common directors and common shareholders who are Mr. Sompong Chunekitiyanone Mr. Voravid Silapusid Mr. Noppadol Suntanaphanich

Subsidiary Company

Cancer Alliance Company Limited

Established Date	January 12, 2018
Head Office Address	529 Moo 3 Nongkham, Sriracha, Chonburi
Business Operations	To operate specialized hospital for cancer treatment
Registered Capital	350 million Baht
Paid-up Capital	350 million Baht
Relations	The Company's shareholding proportion in the subsidiary Company totally 73.97% and common directors who are Mr. Sompong Chunekitiyanone Mr. Voravid Silapusid Ms. Srirat Chuchottaworn

Company shareholding structure Cancer Alliance Co., Ltd. (holding shares more than 10%)

NO	Name	% Shares
1	Business Alignment Public Company Limited	73.97%
2	Mr. Pitayapoom Pataranutaporn	15.02%
3	Other Shareholders	11.01%
Total		100.00%

Shareholders Structure

The company has a registered capital of 330,000,000 Baht and a paid-up capital of 300,367,494.50 Baht, divided into 600,734,989 ordinary shares with a par value of 0.50 Baht per share. List of major shareholders of the company as of December 30, 2022 are as follows:

No.	Shareholder Name	No. of Shares	% of shareholding
1	Mr. Sompong Chunekitiyanone	192,705,000	32.08%
2	Group Family Silapusid (Related Person)	185,982,000	30.96%
2.1	Mr. Voravid Silapusid	181,500,000	30.21%
2.2	Mrs. Sivika Silapusid	4,482,000	0.75%
3	UBS AG LONDON BRANCH	63,843,900	10.63%
4	Mr. Noppadol Suntanaphanich	36,000,000	5.99 %
5	Mr. Kittipong Phatarachaikul	8,090,000	1.35 %
6	Mrs. Sarin Chinudomsap	7,500,000	1.25%
7	Thai Nvdr Co., Ltd.	7,038,460	1.17%
8	Mr. Kittisak Chinudomsap	6,972,850	1.16%
9	Mr. Chanon Chinudomsap	3,000,000	0.50%
10	Mr. Poompan Pattaranutaporn	2,363,150	0.39%
11	Other Shareholders	87,239,629	14.52%
Total		600,734,989	100.00%

Source: Thailand Securities Depository Co., Ltd.

Dividend Policy

The company has set a policy for the annual dividend to be paid out at a rate of not less than 40 per cent of the net profit after the deduction of all reserves as defined in the Articles of Association and the law, barring the occurrence of other necessitating events, and in the event that dividend payout does not significantly affect the normal operations of the company.

However, these dividends are subject to change depending on operation results, the company's financial situation, liquidity, investment plans as well as factors impacted by the business administration, and other necessitating events or situations which may appropriate a change in the future. Payout shall be made at the discretion of the Board of Directors, as the aforesaid dividends are under their jurisdiction. In any case, the Board of Directors' resolution to approve any payment of dividends must be proposed to the shareholders' meeting for consideration, except in the case of an interim dividend payment. The Board of Directors has the authority to approve an interim dividend payment, providing it is reported at the following shareholders' meeting.

For the subsidiary company, the dividend payment policy has not yet been determined. Which includes the annual dividend and interim dividends or benefits or any return to the shareholders of the subsidiary. As the subsidiary company still has debt from bank loan application for the subsidiary's main objectives.

Dividend payout ratio

Year 2019/20	Year 2020/21	Year 2021/22
82.87%	83.62%	88.01%

Dividend payment details	Year 2019/20	Year 2020/21	Year 2021/22 ⁽¹⁾
Net Profit (million Baht)	120.67	71.75	423.67
Net Profit After Legal Reserve (Million Baht)	120.67	71.75	421.67
Dividend payout ratio per share (Baht)	0.25	0.15	0.9277777775 ⁽²⁾
Total amount of dividends paid (million Baht)	100.00	60.00	371.11

*Year of Performance/Year of Dividend Payment

⁽¹⁾ The company pays dividends to shareholders from the operating results ended December 31, 2021 in the form of stock dividends and cash according to the resolutions of the 2022 Annual General Meeting of Shareholders held on April 8, 2022.

⁽²⁾ Dividend payout ratio per share including stock dividend + interim dividend + annual dividend

Amount of registered capital and paid-up capital

Registered Capital	: 330,000,000.00 Baht
Paid-Up Capital	: 300,367,494.50 Baht
Par value per share	: 0.50 Baht
Type and amount of Outstanding Share	: Ordinary shares, 600,734,989 Shares
Types and amount of unissued Shares	: -

Other securities issued:

As of December 31, 2022, the company has warrants to purchase shares to the existing shareholders of the Company in proportion to their respective shareholdings (Rights Offering) free of charge. at the allocation ratio of 10 existing ordinary shares per 1 unit of warrants, summarized as follows:

Name of Warrant	BIZ-W1
Type of Warrant	Specific named certificate and transferable.
Number of ordinary shares Issuable upon the exercise	Not exceeding 40,000,000 shares
Price per unit	0.00 Baht (Allocation to existing shareholders at no cost)
Allocation method	Allocated to the Company's shareholders in proportion to their shareholding (Right Offering) in the allocation ratio of 10 existing ordinary shares (par value of Baht 0.50 per share) per 1 unit of warrant. The Company determines the list of shareholders of the Company who are entitled to receive warrants to purchase ordinary shares on October 28, 2021 (Record date).
Exercise ratio	1 unit of Warrant shall be entitled to purchase 1 newly issued ordinary share, unless the exercise ratio is adjusted otherwise pursuant
Exercise Price	7.00 Baht per share, unless the exercise price is adjusted otherwise pursuant
Issuance Date	November 3, 2021
Duration of Warrant	1 year from the issuance date. In this regard, after issued warrants the Company won't expand the period of warrant.
Exercise Period	Warrant holders can exercise their rights to purchase the Company's shares two times on May 2, 2022 and November 2, 2022 ("Exercise Date"). The first Exercise Date on May 2, 2022 and the last Exercise Date is the date that the Warrants are of 1 year from the date of issuance, which falls on November 2, 2022.

Summary details of the exercise of rights are as follows:

- Total number of warrants to purchase newly issued ordinary shares	39,999,633	units
- The number of shares issued to accommodate the exercise of rights totality	60,000,000	shares
- The amount of money expected to be received from the exercise of rights	280,000,000	Baht
- The number of units that have been informed of their intention	513,386	units
- Number of shares arising from exercise	770,079	shares
- Total exercise amount	3,593,704.97	Baht



Risk Management

Risk Management Policy

The company has setup a systematic risk management policy throughout the organization. The Risk Management Sub-Committee under the Executive Committee. The policy is to set the system and assess the risks, both from the external factors, the management and from working in the organization. Set up the guidelines for risk management at an acceptable level. Communicate to employees to be aware of the importance of risk management. The company's risk management process is as follows.

1) Policy formulation and risk management

Determine policy, objectives, scope of responsibilities, principle and guidelines for risk management in accordance with the strategy, goals, business plan and direction and it will work together with the business plan to be consistent.

2) Risk identification

Identifies risks that may affect the achievement of objectives and goals. Considering the risks external and internal factors such as environment, financial, law, information system, decision-making information system, the satisfaction of investors, investment management, human resource reputation and image of the company. the risk by prioritizing the control system. If it is high and very high, the company will take the risk to analyze it for management.

3) Risk analysis

An analysis to assess the level of remaining risk after the assessment. Existing control systems and prioritization of risk. If the risk remains high or very high. Risk management measures should be set forth immediately by senior management responsible. if the risk is moderate or low assign to management measures at the department level or modify the process.

4) Risk management

It defines how to plan an important risk management. It is classified in the risk analysis process. There are several ways to manage risk, such as risk transfer control, avoiding risk, take advantage of the risks or acceptance risk.

5) Monitoring and Review

It is the process of monitoring the risk management plan including risk assessment. The Risk Management Sub-committee will monitor and report to top management and the Audit Committee.

Key Risk Factors

The company has the following key risk factors.

Business Operations Risks

1) Risks from dependency on the key manufacturer in USA

In distributing radiotherapy medical equipments such as LINAC, treatment planning system and radiotherapy patients database system, the company imports products from Varian Medical Systems Inc. and its group of companies ("Varian") from USA and the key manufacturer and distributor of radiotherapy medical equipments and software system, as well as proton beam therapy and mineral implant therapy using advanced technology including x-ray tube



for medical purposes and linear accelerators for container inspection using high energy x-ray. Varian is regarded as the high quality manufacturer and distributor of radiotherapy equipments and is highly accepted among the radioltherapy industry both domestically and internationally.

The company was appointed as the exclusive importer and distributor of Varian in Thailand since the establishment of the company until now which is more than 22 years. The ratio of the cost of sales and service from Varian in the year 2020-2022 is 372.47 million Baht, 1,487.94 million Baht and 650.68 million Baht which accounts for 64.89%, 66.43% and 66.82% of sales and service cost respectively.

From the data above, it can be seen that the company has high dependency on Varian for its business operation. Beside from the cost ratio from Varian which shows high dependency from the company for its business operation, the Varian products both LINAC, treatment planning system and radiotherapy patient database system are considered as the main products which generate the main revenue for the company and is key to the company's success in selling other supporting products. Therefore, if the company fails to continue to be the exclusive distributor of Varian or in the case where Varian faces any problems in its business operation and becomes unable to distribute to the company, this will have a dramatic impact on the company that could make the company unable to continue its operation.

Guidelines for risk management

The company has been working with Varian since the establishment of the company and the company has been appointed as the exclusive distributor since 2000. Throughout this time, the company has been able to operate its business well and has been an important part in distributing Varian products to Thai clients. Moreover, Varian is the key medical equipments and software system provider for radiotherapy in USA and is registered on the New York Stock Exchange. So, the chance of a problem in Varian's business operation is low and the company strongly believes that it can remain the exclusive distributor in Thailand continuously. We have had strong partnership and there is no reason for Varian to cancel the appointment as the exclusive distributor in Thailand

2) Risk from not able to follow the key conditions as stated in the appointment agreement with Varian

In the appointment agreement with Varian, it has stated some conditions of being a distributor which could be a risk in the business operations in the future. That is the duration of the current contract which is for a period of 1 years (October 1, 2022 - September 30, 2023). Therefore, should Varian decide not to renew the contract with the company, this poses a risk for the company depending on the stated duration in the agreement

Guidelines for risk management

The company does not see any concern in the renewal of the contract based on the past 22 years performance of the company and the continuous renewal of the contract for the past 22 years which shows the trust and dependency between the company and Varian.

3) Risk from the increase of competition

The medical equipments import business is a fast-growing industry especially the ones with advanced technology such as radiotherapy machine which Thailand cannot manufacture and must be imported from overseas. To do so, the company needs to have registered for a license to manufacture or import the medical equipments according to the law. However, this does not stop new competitors to enter into the industry much.

Therefore, the company has the risk of new competitors and also the risk of Varian to run its own operation in the country against the company. This will not enable the company to continue its operations as the key products of the company are from Varian.



However, the company views that the rising of new competitors or for Varian to run its own operations in the country are highly impossible due to 3 reasons.

Firstly, radiotherapy equipments that are highly-accepted by the medical personnel domestically and internationally only come from 2 key manufacturers. One of them is by Varian Medical Systems Inc. (Varian) from USA which the company is representing. The other is by Elekta AB from Sweden which the company's competitor is representing. Therefore, the risk in new competitors within the country that will have the same potential as the company is very unlikely as the distribution of medical equipments especially ones related to cancer treatment requires knowledge and expertise in the product. Moreover, the company has its strength in being the solution provider for the clients which includes providing the equipments and supporting equipments, renovating the space to be suitable for installation and after sales maintenance service. And the reputation of the company for over 22 years has build strong credibility to Varian which means that the chance that Varian will change its distributor is highly unlikely as there is a chance that the new distributor might not be able to operate up to the standard of the company which will reflect negatively on Varian itself.

Secondly, Varian has its cost both monetary and time in managing the sales, marketing and after-sales service. To run the mentioned operations in a non-familiar territory to Varian might not be worth it especially when compared with the sales ratio in Thailand. As a result, to appoint a distributor who is familiar with the territory and target clients and understands the culture and environment of its own country is probably better and can create more value to Varian.

Lastly, Varian alone cannot serve the needs of the clients in Thailand which need a full circle solution provider who can take responsibility in all aspects including space preparation to installation like what the company is currently operating. As this makes the clients experience more convenient, faster and less complicated. When comparing with other countries such as Singapore which does not need a distributor who is a solution provider, this allows Varian to be able to operate its own business there where clients will take care of the other aspects themselves. The company sees that as long as the needs of Thai clients still remain this way, it will be impossible for Varian to compete with the company.

Guidelines for risk management

Though the company has many advantages, it still realizes the risk in business competitions. Therefore, the company has the policy to differentiate itself through better service quality as well as improving the effectiveness of the company's work process. The company believes that we can maintain and improve the capacity of the company for the distribution of these products in Thailand in the long run.

4) Risk from Revenue Recognition Standard based on Accounting Standards

The key revenue of the company comes from distributing and installing the medical equipments for radiotherapy patients. Most of the sales revenue comes from high value projects which usually are the ones where the key product is the teletherapy machine which is worth 50-250 million Baht on average per project. The standard for recognizing revenue based on the accounting standards stated that the company may recognize new revenue only when the company has transferred the risk in the product to the client. For large scale projects, this will take approximately 210-360 days (from the signing date) to complete the project and hand over to the clients and recognize the revenue at one time. Therefore, should the company not be able to install or hand over the project within the scheduled accounting terms or the project was postponed, the company will face the risk of unstable income on each accounting term as the revenue will have to be moved to the following term once it has been handed over.

Guidelines for risk management

The company fully realizes the risk from using this standard, and it focuses mainly on the management of the project to ensure that everything will run according to the scheduled time frame. In the past, the company never fails to hand over the project to the clients on time unless the reasons were from the clients' unreadiness for the company to install the machine which caused the postponement in the revenue recognition.

5) Risk from most customers are hospitals affiliated with the government.

In the past, the company's target clients are mainly hospitals affiliated with the government. One key factor that sets the need for these hospitals to order from the company or not is the budget allocated from the supervised department. This means that even if the hospitals would like to purchase from the company but if the budget allocation does not support the purchase, the hospitals may not be able to order. This will have a dramatic impact on the sales revenue of the company and may affect the operation for each accounting term.

Moreover, the annual budget allocation for the governmental departments is done on a seasonal basis which means that it will cover the period from October 1 to September 30 of the following year. In each fiscal year, if the clients are allocated with sufficient budget, the purchase order may begin and contracts will be signed during the 4th quarter (after budget allocation). Then, it will take the company between 210-360 days from the signing date to complete the project and recognize the revenue which would be around the 3rd or 4th quarter of the following year. Therefore, with the mentioned nature of the annual budget, it can be seen that the company will see higher revenue in the 3rd and 4th quarter of the year while the 1st and 2nd quarter, the company may not see high revenue as there may be no hand over of high value projects.

With the 2 reasons above, the company may face the risk of not receiving the purchase order from public hospitals if they are not allocated with sufficient budget in each fiscal year, together with the nature of the annual budget allocation also mentioned above may cause the company to generate low revenue continuously on each accounting terms. These factors affect the unstable and fluctuated income of the company

Guidelines for risk management

The company still has another revenue from maintenance service which is another continuous revenue following on from the key products of the company and this income is a more stable one for each year. This means that if the company can increase its sales of products, it will gain more revenue from maintenance service which will bring more stability to the company's overall revenue

6) Risk from the niche nature of the business in terms of products and market conditions

The key products of the company such as LINAC or hardware and software of the treatment planning system are specialized products with advanced technology with high value and low manufacturers. These factors impact the nature of the market condition of this business. In another word, the target clients of the company are in a niche market which is only for public health services. Moreover, the key products of the company especially the LINAC has an average life of 12-15 years until another machine is required to replace the old one. The change in the technology of the LINAC may require a long time to develop and experiment as it is the medical equipments with direct effect to the patients. Therefore, the market condition and demand in the products may be limited to these clients only and to the limited time frame that take a long time before another replacement machine is needed. If we look at the data of the life of the LINAC by Varian above, it may affect the company's ability to expand its revenue in the long run and the company may face the risk of unstable and fluctuated revenue in the future.



Guidelines for risk management

The company realizes this risk in unstable and fluctuated revenue as it is a key factor that will impact the business operations and revenue of the company. The company does not see that being in a niche market will affect the operations of the company as there is not enough radiotherapy machine for cancer patients anyway based on the data from World Health Organization which suggested that the trend of cancer patients in Thailand is likely to rise continuously. This is not enough to serve the patients as each LINAC has the capacity to treat 400-500 patients per machine per year. With this reason, the company feels that the existing target clients will still have the demand to purchase the products continuously and the budget allocation to the target clients (both for public and private hospitals) will become essential and will be the opportunity that the supervised departments must consider to invest in product.

7) Risk in following the related orders, rules and regulations

In operating the distribution and installation of the radiotherapy machine by importing from the expert company overseas including the maintenance service, the company must follow the orders, announcements, rules, regulations, act and related law such as 2008 Medical Device Act, Ministry of Public Health Announcement, FDA Orders and Announcement, 2008 Responsibility for unsafe products Act by the Office of the Consumer Protection Board, Office of the National Anti-Corruption Commission 2011 Announcement on the criteria and process of accounting showing the P&L of the projects that an individual or a juristic person agrees with governmental agencies. This is to control the business operations of the manufacturers, importers and distributors of medical equipments and to protect the safety and rights of the consumers. Moreover, as the target clients are university hospitals, cancer hospitals under the Ministry of Public Health and other public hospitals which uses electronic bidding or special procurement process, the government has develop the procurement system to be more effective and of high standard.

Therefore, as the business operations under the control of the law, rules and regulations above, the company must follow to them strictly because if the company fails to do so whether by human error or ignorance, it may result in the halt in the company's operation and could incur additional cost to the company. For example, if the company fails to renew its license to import medical equipments in time, the company may not be allowed to import the product which caused the company not to be able to sell the product to the clients which in the end will result in the delay in the hand over of the project and affect the revenue of the company.

Guidelines for risk management

To reduce this risk, the company puts the emphasis on the communication to all employees to realize the importance of following orders, announcements, rules, regulations, act and related law and following up on any changes to these rules and regulations from observing government announcement or communicating with the clients on a regular basis. In addition, the company also focuses on monitoring the license and other related documents in distributing the products of the company in every step to ensure that everything is under control and will not cause the delay in the hand over of the project to the clients. Since its establishment, the company has never had an issue related to this that have caused a loss in the business operations.

Management and Administration Risk

1) Risk from Dependency of the key Directors

At present, the key Directors of the company includes Mr. Sompong Chunekitiyanone, Director, Executive Chairman, Chief Executive Officer and key shareholder of the company for 32.08% of the paid-up capital as of December 30, 2022 and Mr. Voravid Silapusid, Director, Executive Director, Chief Financial Officer and Human Resources Director and key shareholder of the company for 30.21% of the paid-in capital as of December 30, 2022. Both of them have been in the business for a long time with clear visions and has the direct responsibility to set the policy, directions and business operations of the company.

Guidelines for risk management

Therefore, the change in these mentioned Directors may cause the company to face an issue in its future business operations. To decentralize and reduce the risk on the dependency of these key directors, the company has set up its organization chart to include honorable directors with long-term experience in management and operations and allow managers of different levels to take part in the decision and setting the directions of the company more. The company also decentralize the management authority and responsibility clearly. However, Mr. Sompong Chunekitiyanone and Mr. Voravid Silapusid will still be the ones who set the main policy of the company. As for the other details, these will be decided by other members of the management team to reduce the risk in dependency on the key Directors.

Financial Risk

1) Risk from the fluctuation in foreign currency exchange

As the medical equipments need to be imported from overseas such as USA, Germany, UK, and Sweden which sets the payment conditions to be paid in foreign currency. In the year 2020-2022, the company imports account for 48.83%, 67.36% and 46.43% of the sales and service cost respectively. Therefore, the company may face a risk in the fluctuation of the foreign currency exchange. If there is an economic situation that softens the Thai Baht when compared to the foreign currency, this could have a negative effect on the overall operation of the company as can be seen that in the year 2020-2022, the company's profits and loss from foreign currency exchange are at (16.48) million Baht, 7.00 million Baht and 5.58 million Baht respectively.

Guidelines for risk management

However, to reduce the effects from the fluctuation in the foreign currency exchange, the company has the policy to manage the risk by using currency hedging for foreign currency. The company has no policy in gaining profits from this fluctuation whatsoever. Therefore, the company sets its policy that if the company uses Letter of Credit, the company will do forward contract and use the currency exchange as of the date of the contract. Moreover, the company also monitors and assesses the risk in foreign currency exchange through economic news analysis for its business operations.

2) The risk of entering into a Loan Agreement

Due to the business of selling and installing medical kits for the treatment of cancer patients with radiation therapy. Most of the Company's radiotherapy projects are large projects. The average project value is approximately 50 - 400 million Baht per project which the company has loan from financial institutions to purchase medical equipment for each project. If interest rates increase, this may cause the company to have higher interest costs on loans.

Guidelines for risk management

Therefore, that the interest rate in the money market fluctuates or increases. There is no material impact on the company's project. Because the company loan from financial institutions for a short term of not more than 6 months.

Impact of COVID-19 and Company Management

Events taking place around the world and has had many impacts on all sectors in the past 2 years. That is the epidemic of coronavirus (COVID-19), which is a big event. that although not directly affected but still need to adjust in many matters. In order to comply with the measures of the Coronavirus Disease 2019 Epidemic Administrative Center (CDC), the company has issued measures to control and manage the situation. which consists of operational guidelines for the timely response to the situation (Emergency Response) for the management of the COVID-19 crisis (Crisis Management), including mitigation and taking care of stakeholders as the company can do.

Measures to control and manage the impact of COVID-19

The company has a measure for all employees. Act to prevent and control the spread of COVID-19 in order to prevent the situation from spreading further. The aim is to encourage employees to show their sense of responsibility to the society as a whole, to behave themselves in order to avoid the risk of contracting COVID-19, and to avoid various risk factors, whether it is avoiding going to a community area, a place where events need to be gathered, Avoid close contact with or contact with people who are expected to be at risk of contracting the disease and it is considered understood practice. Planning work that reduces and avoids travel to perform duties as responsibilities by allowing them to work from their own home or accommodation. Plan time-lapses for departments that still need to work in the office. To reduce the risk of traveling with many people during rush hour. Prepare a back-up plan for work, if there is a necessity that prevents the performance of duties including long-term planning for working within the team and planning jointly between departments to support remote work or working in the New Normal.

Management of the Company's COVID-19 Crisis (Crisis Management)

The objective is to coordinate the cooperation of all departments in coordinating, directing and communicating in the event of an emergency due to the COVID-19 pandemic in order to prevent, prepare and manage the incident quickly and efficiently. By providing an emergency action plan in the event that employees suspect or find themselves at high risk In the case of contracting with the COVID-19 virus or in the event that an organization's employees are infected with the COVID-19 virus, the company has designated responsible persons in the event of an emergency situation in the event of a COVID-19 crisis, both in the part of employees, customer and partner for clarity and flexibility in coordination.



General and other important information

Common Shares Securities Registrar : The Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building
1st Floor, Tower B (next to Chinese Embassy)
93 Ratchadaphisek Road, Dindaeng
Bangkok 10400
Tel : +66 2009 9000
Fax : +66 2009 9991
TSD Call center : +66 2009 9999

Auditor : EY Office Company Limited (“EY Office”)
Mr. Piya Chaiyapruerkmalakarn
Certified Public Accountant No. 7544
193/136-137 Lake Ratchada Building Office Complex,
33rd Floor., Ratchadapisek Road, Khlong Toei,
Khlong Toei, Bangkok 10110
Tel : +66 2264 0777
Fax : +66 2264 0789-90

Financial Advisor : Fin Plus Advisory Co., Ltd.
944 Samyan Mitrtown Room No. 1203
12 Fl., Rama 4 road, Wangmai, Pathumwan, Bangkok
Tel : +66 2116 9559

Other important information that may have effect to decision of the investor is significant: None

Legal Disputes

As of December 31, 2022, the company has no legal dispute that may bring negative consequences to the business operations of the company and the company has no legal dispute that may bring negative consequences to the assets of the company which is worth more than 5% of the shareholders.

Secondary market or fixed financial institution: None

Driving Business for Sustainability

Sustainable Management Policy and Goals

Board of Directors committed to operating the business for stable and sustainable growth, create business growth opportunities to meet and create added value for shareholders and stakeholders in all sectors. By focusing on building business success. The company also takes part in taking care of society. And environment to respond to all groups of stakeholders By adhering to the principles of good governance, corporate governance and business ethics. As well as giving importance to human resource development to have knowledge and virtue Promote knowledge And quality of life human rights respect. The business operation of the organization will be performed in accordance with the vision and mission that “People to be able to access the modern technology and equality with developed countries and be the center for development in curing patients with the hospitals, doctors and medical personnels especially for cancer”

Managing stakeholder impacts in the business value chain

Business value chain

1. Build relationship with customers by offering information about medical devices
2. Ordering and importing medical devices from abroad
3. Quality inspection of medical devices
4. Training
5. Delivery of goods
6. Maintenance



Stakeholders in the business value chain

Stakeholders	Chanel	Expectation	Key operations
Patients	<ul style="list-style-type: none"> - Participation in activities with hospital customers, especially those related to cancer patients. 	<ul style="list-style-type: none"> - Treated by quality tools - Quick access to treatments and modern technology 	<ul style="list-style-type: none"> - Distribution and installation of quality radiation medical equipment - Establish a specialized hospital for cancer so that patients can have access to good and modern technology.
Employees	<ul style="list-style-type: none"> - Top management communicates through middle management And / or various channels to directly convey to employees - Annual performance evaluation - Training/ Seminars to develop the capabilities of employees according to the plan 	<ul style="list-style-type: none"> - Developing potential for advancement and stable in work. - Getting appropriate compensation and benefits - Management of the working environment that takes into account work safety and quality of life of employees - Strict compliance with labor laws 	<ul style="list-style-type: none"> - Compensation management and appropriate and fair welfare - Treating all employees with equality and respect for basic human rights - Providing opportunities and career advancement - Training and developing of employee potential - Arrangement of a working environment that takes into account work safety
Shareholders	<ul style="list-style-type: none"> - Shareholder Meeting - Company website - Annual Report - Management Discussion and Analysis (MD&A) 	<ul style="list-style-type: none"> - Good returns - Operations with responsibility towards socail, environment and business operations in accordance with corporate governance principles 	<ul style="list-style-type: none"> - Appropriate dividend payment to shareholders - Organization management and development for sustainable growth - Business expansion to accommodate changes and risk of interruption
Customers	<ul style="list-style-type: none"> - Distribution of quality medical equipment - Meeting and visiting customers - Customer satisfaction survey - Training and providing knowledge and skills to clients or participating in activities with clients - Listening to opinions and various complaints 	<ul style="list-style-type: none"> - Delivery of quality medical equipment - Understanding the needs of customers Providing appropriate assistance and support to customer needs - Contact, follow-up, and maintain after-sales service according to the specified period - Equal treatment of customers - Confidentiality - Fair pricing 	<ul style="list-style-type: none"> - Developing and responding to customer needs regularly - Pay attention to and be responsible to customers for both quality and good service - Building confidence, building the image of the company - Customer satisfaction survey - Responding to and handling complaints - Anti-corruption and transparency in work - Code of conduct for keeping information and confidentiality - Attention to fair pricing under the pricing policy

Stakeholders	Chanel	Expectation	Key operations
Partners	<ul style="list-style-type: none"> - Discussion meetings and chats prepare a memorandum of understanding - Exchange of ideas and giving feedback suggestions for improvement 	<ul style="list-style-type: none"> - Compliance with commercial terms - Compliance with commercial terms - Promotion and support of activities and participation in problem solving - Conduct business within the framework of the law - Anti-Corruption 	<ul style="list-style-type: none"> - Strict adherence to trade terms and conditions - Treat trade partners with fairness and equality - Providing suggestions and directions for joint business development - Communicating and providing accurate trade information - Formulation of policies on procurement - Do not support or buy products that contain copyright infringement. or violate human rights
Creditors	<ul style="list-style-type: none"> - Disclosure of accurate, complete, transparent and timely financial information - Communication, discuss and answer questions Listen to opinions and suggestions. 	<ul style="list-style-type: none"> - Compliance with the terms and conditions - Fair treatment of creditors 	<ul style="list-style-type: none"> - Compliance with financial agreements and repayments of loans - Not taking advantage and being responsible for creditors
Competitors	Participation in activities of related information and new technology about medical devices	Following good competition rules, according to relevant rules, regulations and laws	<ul style="list-style-type: none"> - Not destroying the reputation of commercial competitors - Compliance with the Rules of Good Competition - Not to infringe on the copyright or intellectual property of others.
Society, Community and Environment	<ul style="list-style-type: none"> - Participation in various activities with communities or society - Listening to suggestions and receiving complaints - Whistleblowing of fraudulent acts or illegal acts 	<ul style="list-style-type: none"> - Promote and support social activities that benefit the community and society. - An emphasis on anti-corruption 	<ul style="list-style-type: none"> - Promote and support activities related to society, community and environment - Responding to and handling whistleblowing - Fair fraud investigation (if any)

In addition, the company provides opportunities for employees and stakeholders. There is a way to contact the company. Any doubts about whether it will be in compliance with ethical standards in business or have complaints or have a suggestion. Employees and stakeholders can ask for their complaints, comments directly through the independent directors or company secretary. To serve as a unit to receive ethical complaints in the business as follows.

1. Postal Mail: Attention to

Independent Director (Complaint and Suggestion)

Business Alignment Public Company Limited

92/45 Sathorn Thani Building 2, 16th Floor, North Sathorn Rd., Silom, Bangrak, Bangkok 10500



2. E-Mail

biz-cg@bizalignment.com

Complaints and/or proposals will be addressed to all independent directors. To be continue the investigation as well. The company provides a process for dealing with matters that employees or whistleblowers including disclosed guidelines for protecting complainants, whistleblowers, cooperative investigators on the company website www.bizalignment.com Investor Relations menu and then Sustainable Development menu

Sustainability management in the environmental dimension

The company business does not affect the environment directly. However, the importance of environmental conservation and conservation and preservation of natural resources by cultivating awareness among employees by providing knowledge through communication and campaigning for employees to know how to environmental management such as water saving, electricity saving, efficient use of resources, waste and waste separation in order to contribute to environmental responsibility. Including campaigning to promote and support environmental conservation and make the best use of natural resources.

1. Adopt digital technology for meetings to reduce printing and paper consumption.
2. Encouraging data collection by scanning the data in soft file format instead of hard copy document storage. The company has started to store various documents.
3. Encourage communication by email instead of using paper for sending documents within the organization. Including the cost-effective use of paper by printing both sides and recycle. Verify the documents are correct before printing. Reduce the amount of printing and discarding.
4. Supporting and using environmentally conscious products, by selecting products and products which friendly with enviromentl or packaging that can be refillable. To reduce the impact that may arise from the production of various packaging, etc.
5. The campaign to save electricity and water use within the organization is closed when not in use.

The company has provided training, knowledge and communication to employees. About this policy and practice in environmental stewardship Allowing new employees through orientation and for employees at all levels to communicate via supervisors, including through the company's internal newsletter of the month Raise awareness among all employees to be involved in environmental protection both inside and outside the organization.

Water saving campaign and electricity saving

The company campaigned for employees at the headquarters. Have awareness of water saving and save electricity. By turning off electricity, lights and appliances during lunch breaks or during periods of inactivity. As well as to save water for consumption, etc.

Electricity usage

	Electricity consumption (units)
Year 2020	69,851
Year 2021	64,645
Year 2022	59,258

Water consumption data

	Water consumption (units)
Year 2020	5,714
Year 2021	6,128
Year 2022	5,704

Remark – The company began collecting electricity and water usage data in 2020 for the first year. Since

The company has an office rental building, that is managed by the building department. In addition to the normal use of tap water, its consumption herefore includes the number of units of the drain meter uused by the use of heat from air conditioning as well.



Efficient use of resources

1. Reduce the amount of waste that may occur such as product selection with large packaging instead of small. Selecting products with the least impact on the environment
2. Reuse the packaging, put it into various appliances, reuse paper bags or plastic bags. Using paper on both sides, using cloth bags to reduce global warming. Use of clean and reusable food utensils.
3. Promote the recycling of waste (Recycle) by separating and collecting garbage in the office that can be used in the recycle, such as the desk calendar, max filling, etc. to be donated to the departments, there is a need for further use

Management to reduce greenhouse gas problems

The company gives importance to management to reduce greenhouse gas problems. The activities of the company that may affect the amount of greenhouse gas emissions in terms of energy consumption, such as the use of electricity from air conditioning. However The company is in the early stages of reviewing data collection to define goals, approaches and strategies to reduce future greenhouse gas problems which will reveal the processing time for further notice.

Sustainability management in the social dimension

The Board of Directors' Meeting has approved a Code of Business Conduct manual and Anti-Corruption Policies as guidelines for strict adherence by the company's Board of Directors, Management and all employees, to be enforced in all segments of the business in order to produce a management system that is efficient, transparent and verifiable, and which enhances the trust and confidence of shareholders, investors, stakeholders and all parties involved. These guidelines must be applied in all normal business operations from the procurement process with partners, product education, product research and services that do not affect the environment all the way to creating the awareness as to the roles and duties that constitute a good member of society. This is done by giving priority to engaging and building relationships between the company and society on the basis of accuracy, transparency, fairness and promoting activities that are beneficial to society and the community and the welfare of staff by establishing regulations for operational procedures in all areas that are clear and strictly enforced to ensure the safety and equality in the workplace. Directors, Management and staff must perform their duties with integrity, giving focus and paying close attention to customers as well as providing a quality product at a fair price to the company's customers and consumers, according to the ideals of honesty and integrity.

The company also has a system to maintain efficient corporate governance, preventing conflicts of interest, including corruption, through audits by certified public accountants and internal control system auditors who are licensed by the Office of the Securities and Exchange Commission in order to ensure that the company recognizes the rights of stakeholders, both as defined in the law and through company policy as relating to the treatment of shareholders, employees, customers, suppliers, etc.

Human Resource Development

The company gives importance to people which is the heart of the operation to achieve the goals. The company has a policy of enhancing and developing people to be knowledgeable, expertise and work experience. Have code of conduct and ethics in operating with honesty. Be responsible to oneself and other stakeholders by aiming for employees to apply their skills and knowledge to the development of service excellence. Including the initiative and dare to express opinions constructively. To expand and develop the business to meet and meet the needs of customers. Causing the company to have stable and sustainable growth. Create returns and create added value for stakeholders in the long term. The company provides training and knowledge development (Training) for the executives and employees on a regular basis. For the company have the capability to operate in accordance with the policies and business plans of the organization. One of the mechanisms to drive the organization to be able to operate according to the vision and mission of the organization with efficiency and sustainable success

1. Principles of fairness and equality with a focus on the moral system. Fair treatment of all employees in regard to employment, promotion, work compensation including the prevention of unfair acts at all levels.
2. Integrity give importance to and adhere to the performance of duties of all levels of employees with honesty
3. Principles of respect for the individuality of employees emphasize and accept differences in the ideas, beliefs and lifestyles of employees while considering the rules as well as solutions to problems, it will take into account differences in ideas and beliefs, including treating with dignity and putting the self-esteem of employees as individuals.
4. Focus on quality of life. Including enhancing the quality of life of employees for the better. Due to the realization that quality of life plays an important role in job efficiency and is the motivation of employees. Which means quality of life includes job satisfaction, balance in work and personal life, working stress conditions, diversity in work pieces to reduce monotony including encouraging the assignment of appropriate decision-making power according to the competence of the employees (more empowerment).
5. Establishing good working conditions providing a safe, comfortable and a place to be proud for work

Human rights respect

The company realizes the importance of and respects basic human rights in all aspects of all personnel including

- Equitable treatment of all people according to human rights principles without discrimination. Respect for human rights treat each other with respect honor each other. Treat them equally without discriminating against physical and mental differences, race, nationality, country of origin, race, religion, sex, language, age, skin color, education, social status, culture, customs or any other matter.
- Avoid actions that violate human rights. Take precautions in performing duties to prevent risks of human rights violations in business operations, monitor the respect of human rights.
- Do not ignore or ignore any action that violates human rights. They must report them to their supervisors or persons in charge and cooperate in investigating the facts. If you have any questions or concerns, consult with your supervisor or the person in charge through the specified channels.
- Provide fairness and protection to all individuals who report human rights violations. By using measures to protect the complainant or those who cooperate in reporting human rights violations (Whistleblower Protection Policy)
- Provide opportunities for employees and stakeholders in all sectors can express their opinions through the company's recommendation channels.

Treating workers fairly

The company believes that the most important factor in business which adds value and benefit to the business is its human resources, since the company's operation in various fields requires knowledge, skills and dedication of both strength and resolve in working to achieve the goal. Consequently, the company has determined guidelines for the treatment of employees. Executives must treat employees fairly, manage the business without bias, build potential for the employees' advancement and efficiency in their work including promoting an understanding of appropriate conduct for employees, establishing suitable welfare for them and dealing with them sincerely by rationally hearing out their feedback and suggestions.

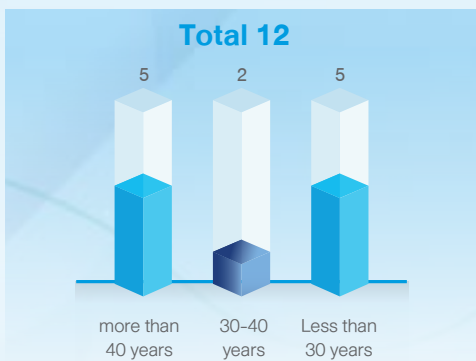
The company has a policy and practice of recognizing safety, healthy and working environment. As part of its success in business. All employees of the company must be secure, good health under working conditions and good environment prevent or accident statistics or strike rate. Employees are the most valuable asset and the key to success. Therefore, the company aims to develop culture and working environment. As well as promoting teamwork. Employees are treated with courtesy and respect for individuality. Employment, appointment and rotation of employees. It is based on merit and the use of human resources to the maximum benefit to the company. It also has a policy to supervise the management of compensation and welfare in a fair manner. Taking into account the various factors such as qualifications experience, level, position, responsibilities. In addition, the provident fund is provided for management and employees. The company also has strict adherence to the law on labor.



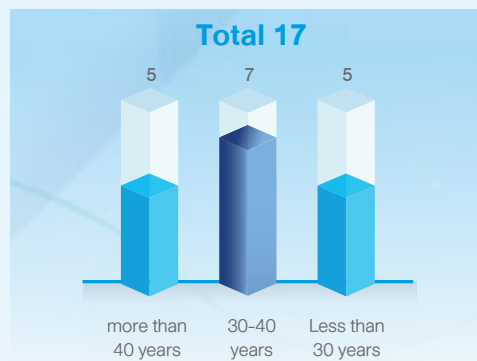
Employee proportion by gender (as of 31 December 2022)



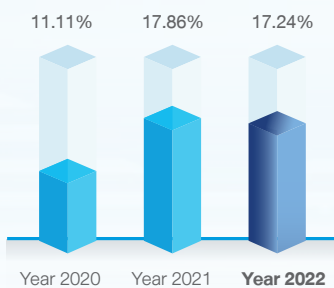
Average age (Male)



Average age (Female)



Employee turnover rate



Average number of training hours per person per year



Accident statistics or strike rate



Responsibility to customers

Customers are the most important thing in doing business of all types. Organizations rely on customers Therefore, the organization must understand the needs of the customer. Both now and in the future and must try to perform. To achieve the needs of customers as much as possible. In order to maintain a good relationship with each other. The company has a policy to focus on the needs of customers as agreed. Relationship development And grow with customers as well as being trusted by customers which is the factor that leads to the success of the company's business. By treating customers with sincerity and humility to lead to the development of the highest quality and customer satisfaction.



Topic	Year 2020	Year 2021	Year 2022
The products	84.40%	85.60%	87.14%
Sales & Marketing	88.20%	88.40%	90.43%
Services	87.00%	88.00%	86.31%
Sales support and training	88.80%	88.00%	89.66%
Project management	87.20%	85.00%	88.30%

Community or social development

With the company operating the distribution and installation of medical equipment for treatment of cancer patients with radiology. The company meets with doctors, medical officer even cancer patients. So, keep in mind that sometimes it will help cancer patients have knowledge in dealing with cancer correctly. To increase the survival rate and increase the quality of life for cancer patients in Thailand.

Activities in which the company has an opportunity and takes part in supporting that activities

Activities related to cancer patients

Year 2017 the company and co-founder of the ART for CANCER project, an art project and creative work for poorer patients. The founders of the project found themselves cancerous and inspired the project since they were still in cure. By choosing the potential of art and creative work to raise funds to help cancer patients who lack treatment. To Siriraj Hospital, Ramathibodi Hospital and the National Cancer Institute. The project is to help each other. Starting from the main problems of society which related to the company's core products. To develop in the long run.

Year 2018 in co-sponsoring creative activities for society "Power Building Project Turn over the lives of 13,000 cancer patients. " The objective of the project is to help cancer patients have knowledge and understanding in dealing with cancer correctly In order to increase the survival rate and good quality of life for cancer patients in Thailand. This is an encouragement forward that will help patients overcome difficult times. To support the fund for the Survivor Planner, which will be distributed in the Survivor Planner and to provide cancer education, Planning treatment plans and recommending how to use Survivor Planner for patients, relatives, carers for cancer patients.

- Year 2019** The company had the opportunity to participate in supporting the work of Siriraj Cancer Oncology, faculty of Medicine Siriraj Hospital Mahidol University which collaborated with Art For Cancer by Ireal by Art of Life Social Enterprise Company Limited at CANCEL CANCER FESTIVAL 2019 to raise funds for “Precise medical fund in cancer” with the objective to promote research and integrated cancer care In accordance with modern knowledge integration guidelines together with personal genetic data analysis which will lead to accurate cancer treatment and suitable for most individuals.
- Year 2020** The company has prepared a project “Heart Box” for cancer patients. The goal is to organize such activities in hospitals in both public and private sectors at least 4 radiotherapy departments, by working with “Art for Cancer”
- Year 2021** An ongoing project in partnership with Art for Cancer by ireal, an inspiring social enterprise. and improving the quality of life for cancer patients in all aspects, focusing on the patient’s mental health problems due to physical illness with the “Art Set for the Mind” together with professional art therapists which can help take care of the mental state of the patient The company has delivered “Art set for heart care” for 5 hospitals
- Year 2022** Once again with a good project in collaboration with Art for Cancer by ireal to support the preparation of 500 copies of Survivor Planner 2022 notebooks and treatment guides for cancer patients to enhance knowledge and understanding. A new perspective in coping with cancer correctly increases survival rates, creating a better quality of life for cancer patients in Thailand. Specially designed to give to cancer patients. That will be helpful in dealing with cancer properly.

“ Human beings are living beings with encouragement. Good encouragement can be created from those around you. But the good healthy can be built by ourselves If we believe that we will be healthy, your brain will order your body to work well. ”

We, the management team and BIA staff would like to send encouragement to all patients. have better health And we will strive to provide medical equipment. so that patients have access to modern technology



“Mr. Sompong Chunekitiyanone”
 Chief Executive Officer
 Business Alignment Public Co., Ltd.



Other activities

Year 2020

“SET Social Impact Gym 2020” This is a project to develop business potential for social enterprise for social business people to run their business with strength and efficiency with the aim of social businessmen to take part in caring for society, whether in agriculture, vulnerable group in community development, education and environment and ready to expand the results for both business and society sustainably. Year 2020, Business Alignment Public Company Limited was joined volunteer coach to “NINE D OMNITECH COMPANY LIMITED” that social enterprise solves health problem by arrange home stay (capsule) for patient relatives who treat in clean and safe hospital at affordable price..

Year 2021

SET Social Impact Gym 2021 project under the concept of SE Empowerment Program, which is a project to develop the business potential for social enterprise entrepreneurs to operate businesses with strength and efficiency with the aim of social entrepreneurs to take part in taking care of and correcting society, regardless of dimensions: agriculture, vulnerable group, community development, health, education and environment so as to sustainably expand the business and social results. In the year 2021, Business Alignment Public Company Limited by Mr. Sompong hunekitiyanone has joined as a Volunteer Coach participated as a volunteer coach for a total of 9.30 hours over 5 weeks for Jitta Arthon Social Enterprise Company Limited, which provides mental and health care services in a holistic, natural way in order to strengthen the ability to cope and deal with mental problems. Business Alignment Public Company Limited has come to give advice, opinions, in-depth recommendations in marketing, identifying the strengths of the business in order to plan marketing strategies to reach target customers such as marketing strategies to meet target groups, strategies for working with partners including finding partners to work together, target market selection strategies or the use of technology for communication, etc. so that the company can reach the customer group according to the plan. As a result, Jitta Arthon Social Enterprise Co., Ltd. has learned various experiences and ideas and used them to develop to create sustainability in business operations to adjust the model or business operation to be more efficient.

Year 2019-2020

“maiA Virtual Run for Thai Red Cross Society” project, the distance running project for charity. Organized by the Association of Listed Companies in the Market for Alternative Investment (maiA). All income after deducting expenses goes to the Thai Red Cross Society.



Key Financial Data

Summary of financial position and results of operations

(1) Statement of Financial Position

Statement of Financial Position	Consolidated Statement as of 31 December 2020 Audited		Consolidated Statement as of 31 December 2021 Audited		Consolidated Statement as of 31 December 2022 Audited	
	million Baht	%	million Baht	%	million Baht	%
Assets						
Cash and cash equivalents	206.56	10.16	323.37	17.89	233.71	16.62
Trade and other receivables	132.07	6.50	576.10	31.87	231.38	16.45
Construction contracts	7.19	0.35	0.00	0.00	0.00	0.00
Inventories	1,117.49	54.98	311.69	17.24	316.08	22.48
Other current financial assets	0.12	0.01	3.19	0.18	31.59	2.25
Other current assets	55.44	2.72	88.34	4.88	143.86	10.22
Total current assets	1,518.87	74.72	1,302.69	72.06	956.62	68.02
Restricted bank deposits	107.31	5.28	114.90	6.37	79.94	5.68
Property, Plant and Equipment – net	387.84	19.08	370.09	20.47	349.49	24.85
Rights of use assets	6.70	0.33	5.01	0.28	3.33	0.24
Intangible assets	0.54	0.03	1.16	0.06	1.01	0.07
Deferred tax assets	10.42	0.51	12.86	0.71	14.58	1.05
Other non-current assets	0.97	0.05	1.04	0.05	1.33	0.09
Total non-current assets	513.78	25.28	505.06	27.94	449.68	31.98
Total assets	2,032.65	100.00	1,807.75	100.00	1,406.30	100.00

Statement of Financial Position	Consolidated Statement as of 31 December 2020 Audited		Consolidated Statement as of 31 December 2021 Audited		Consolidated Statement as of 31 December 2022 Audited	
	million Baht	%	million Baht	%	million Baht	%
Liabilities and shareholders' equity						
Short-term borrowings from financial institutions	249.47	12.27	115.19	6.37	91.49	6.51
Current trade and other payables	917.56	45.14	439.78	24.33	239.15	17.00
Current portion of long-term borrowings	9.49	0.47	13.07	0.72	32.70	2.33
Current portion of the lease liabilities	1.57	0.08	1.68	0.09	1.82	0.13
Income tax payable	6.58	0.32	45.17	2.50	18.95	1.35
Short-term provisions	2.18	0.11	9.83	0.54	11.26	0.80
Other current financial liabilities	10.47	0.52	0.00	0.00	9.83	0.70
Total current liabilities	1,197.31	58.91	624.72	34.55	405.20	28.82
Non-current trade and other payables	0.00	0.00	87.04	4.82	70.71	5.03
Long-term borrowings	245.03	12.06	234.07	12.95	94.81	6.74
Lease liabilities	5.32	0.26	3.64	0.20	1.83	0.13
Provisions for employee benefits	9.39	0.46	9.54	0.53	9.83	0.70
Long-term provisions	1.10	0.05	7.60	0.42	3.29	0.23
Total non-current liabilities	260.84	12.83	341.89	18.91	180.47	12.83
Total liabilities	1,458.15	71.74	966.61	53.47	585.67	41.65
Issued and paid-up share capital	200.00	9.84	200.00	11.06	300.37	21.36
Share premium on ordinary shares	222.33	10.94	222.33	12.30	225.54	16.04
Deficit on changes in percentage of shareholding in subsidiary	0.00	0.00	0.00	0.00	(7.74)	(0.55)
Retained earnings						
Appropriated-statutory reserve	20.00	0.98	22.00	1.22	28.85	2.05
Unappropriated	89.83	4.42	349.16	19.31	205.75	14.63
Equity attributable to owners of the parent	532.16	26.18	793.49	43.89	752.77	53.53
Non-controlling interests	42.34	2.08	47.65	2.64	67.86	4.82
Total shareholders' equity	574.50	28.26	841.14	46.53	820.63	58.35
Total liabilities and shareholders' equity	2,032.65	100.00	1,807.75	100.00	1,406.30	100.00



(2) Statement of Comprehensive Income

Comprehensive Income	Consolidated Statement of Year 2020 Audited		Consolidated Statement of Year 2021 Audited		Consolidated Statement of Year 2022 Audited	
	million Baht	%	million Baht	%	million Baht	%
Revenue from sales of goods	527.04	68.88	2,593.12	88.38	786.41	63.67
Revenue from rendering of services	196.50	25.68	247.46	8.43	341.03	27.61
Revenue from construction	0.82	0.11	5.23	0.18	0.00	0.00
Revenue from hospital operations	30.98	4.05	74.95	2.55	98.14	7.95
Other income	9.79	1.28	13.38	0.46	9.62	0.77
Total revenues	765.13	100.00	2,934.14	100.00	1,235.20	100.00
Cost of sales of goods	416.07	54.38	2,039.01	69.49	622.36	50.39
Cost of rendering of services	157.21	20.55	196.14	6.68	278.37	22.54
Cost of construction	0.77	0.10	4.82	0.16	0.00	0.00
Cost of hospital operations	47.85	6.25	58.85	2.00	73.09	5.92
Gross profit (excluding other income)	133.44	17.67	621.94	21.29	251.76	20.54
Selling and distribution expenses	14.07	1.84	24.74	0.84	21.09	1.71
Administrative expenses	42.65	5.57	60.07	2.05	59.22	4.79
Loss on exchange rate	16.48	2.16	0.00	0.00	0.00	0.00
Total expenses	73.20	9.57	84.81	2.89	80.31	6.50
Profit before financial costs and income tax	70.03	9.15	550.51	18.76	181.06	14.66
Financial costs	22.45	2.93	24.21	0.83	14.34	1.16
Profit before income tax	47.58	6.22	526.30	17.94	166.72	13.50
Income tax expenses	18.03	2.36	107.83	3.68	35.01	2.83
Net income for the year	29.55	3.86	418.47	14.26	131.71	10.66
Other comprehensive income	0.58	0.08	1.16	0.04	1.17	0.09
Total comprehensive income for the year	30.13	3.94	419.63	14.30	132.88	10.76
Total comprehensive income for Majority Shareholders	44.40	5.80	420.33	14.33	133.43	10.80
Total comprehensive income for Minority Shareholders	(14.85)		(1.86)		(1.72)	
Earnings per share (Baht / share) (based on par value of Baht 0.50)	0.07		0.70		0.22	

(3) Statement of Cash Flows

Unit: million Baht

Cash Flow Statement	Year 2020 Separated Statement Audited	Year 2021 Consolidated Statement Audited	Year 2022 Consolidated Statement Audited
Cash flows from operating activities			
Profit (loss) before income tax Adjustments to reconcile profit (loss) to net cash provided by operating activities	47.58	526.30	166.72
Depreciation and amortisation	20.51	20.35	22.71
Allowance for declining in value of inventories	0.00	1.32	0.45
Unrealised loss (gain) on exchange rate	6.57	(1.86)	8.97
Interest expenses	22.45	24.21	14.34
Interest income	(1.72)	(0.92)	(1.26)
Loss (gain) on disposals of equipment	0.01	(0.22)	0.01
Profit from operating activities before changes in operating assets and liabilities	95.40	569.18	211.94
Decrease (increase) in operating assets			
Trade and other receivables	29.67	(427.42)	345.26
Construction contracts	15.59	7.19	0.00
Inventories	(344.63)	804.47	(4.83)
Other current assets	(14.55)	(49.38)	(55.52)
Other non-current assets	(0.08)	0.05	(0.29)
Increase (decrease) in operating liabilities			
Trade and other payables, and other current financial liabilities	436.68	(412.66)	(215.57)
Provision	2.21	15.98	(1.21)
Employee benefit paid	0.00	(0.21)	0.00
Income tax paid	(26.97)	(72.36)	(63.73)
Net cash flows from operating activities	193.32	434.84	216.05

Cash Flow Statement	Year 2020 Separated Statement Audited	Year 2021 Consolidated Statement Audited	Year 2022 Consolidated Statement Audited
Cash flows from investing activities			
Interest received	2.29	1.06	1.28
Decrease (increase) in time deposits	15.40	(0.41)	(28.40)
Decrease (increase) in restricted bank deposits	1.58	(7.58)	34.95
Additions to of property, plant and equipment and intangible assets	(2.79)	(1.41)	(0.28)
Proceeds from disposals of equipment	-	0.22	-
Net cash flows from (used in) investing activities	16.48	(8.12)	7.55
Cash flows from financing activities			
Interest paid	(11.18)	(13.56)	(14.49)
Increase in short-term borrowings from financial institutions	(7.11)	(134.28)	(23.70)
Proceeds from long-term borrowings	14.23	(7.38)	(119.61)
Payments of lease liabilities	(1.53)	(1.57)	(1.68)
Investments for capital increase in subsidiary from non-controlling interests	0.00	7.00	14.10
Proceeds from increase in share capital	-	-	3.59
Dividend paid	(99.95)	(159.98)	(171.08)
Net cash flows from (used in) financing activities	(105.54)	(309.77)	(312.87)
Effect from foreign exchange in cash and cash equivalents	(0.11)	(0.14)	(0.39)
Net increase (decrease) in cash and cash equivalents	104.15	116.81	(89.66)
Cash and cash equivalents at beginning of year	102.41	206.56	323.37
Cash and cash equivalents at end of year	206.56	323.37	233.71

(4) Key Financial Ratios

Financial Ratios	Year 2020 Audited	Year 2021 Audited	Year 2022 Audited
LIQUIDITY RATIO			
Current ratio (times)	1.27	2.09	2.36
Quick ratio (times)	0.36	1.44	1.14
Cash flow (times)	0.20	0.48	0.42
Accounts receivable turnover ration (times)	5.16	8.27	3.04
Average collection period (days)	70	44	118
Inventory turnover ratio (times)	0.66	3.48	3.72
Average sale period (days)	545	104	97
Creditors' turnover ratio (times)	1.84	7.29	6.56
Repayment period (days)	195	49	55
CASH CYCLE (days)	420	98	160
PROFITABILITY RATIO			
Gross profit margin (%)	17.67	21.29	20.54
Operating margin (%)	7.98	18.39	13.99
Cash to profitability (%)	320.93	80.96	126.02
Net profit margin (%)	5.80	14.33	10.80
Return on equity (%)	7.93	63.42	17.26
EFFICIENCY RATIO			
Return on assets (%)	2.41	21.89	8.30
Asset turnover (times)	0.41	1.53	0.77
FINANCIAL POLICY RATIO			
Liabilities to shareholders' equity ratio (times)	2.74	1.15	0.71
Interest bearing debt to equity ratio (times)	0.95	0.46	0.27
Interest coverage ratio (times)	20.92	41.81	18.31
Debt service coverage ratio (Cash Basis) (times)	1.58	1.37	0.66
Dividend payout ratio (%) ¹	83.62 ²	88.01 ³	92.31 ⁴

Note:

¹ Dividend payout ratio was calculated from dividends paid divided by net profit for the year from separate financial statements after deduction of legal reserve.

² The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 resolved to approve the dividend payment from the net profit of the year 2020 to the shareholders whose names appear in the shareholder list of the company at March 10, 2021 amounting to 400,000,000 shares at the rate of Baht 0.15 per share, representing a total dividend of 60 million Baht.

³ The Board of Directors' Meeting approved interim dividends of 100 million Baht (400,000,000 shares at the rate of Baht 0.25 per share) from profit for the nine-month period ended September 30, 2021. The Board of Directors' Meeting No. 1/2022 held on February 23, 2022 resolved to approve the dividend payment from the net profit of the year 2021 to the shareholders whose names appear in the shareholder list of the company at April 22, 2022 Stock dividends (ratio of 2 existing ordinary shares to 1 stock dividend) of 100 million Baht (200,000,000 shares at 0.50 Baht per share) and cash dividends of 171.11 million Baht amounting to 400,000,000 shares at the rate of Baht 0.4277777750 per share, representing a total dividend of 371.11 million Baht. (Subject to approval by the Annual General Meeting of Shareholders for the year 2022)

⁴ The Board of Directors' Meeting No. 1/2023 held on February 22, 2023 resolved to approve the dividend payment from the net profit of the year 2022 to the shareholders whose names appear in the shareholder list of the company at March 8, 2023 amounting to 600,734,989 shares at the rate of Baht 0.20 per share, representing a total dividend of 120.15 million Baht.



Management Discussion and Analysis

Operating Results

Business Alignment Public Co., Ltd. conducts the sales and installation of medical equipment for treating cancer patients with radiotherapy by importing products from the manufacturer with expertise on world-class equipment and technologies for the treatment of cancer, including providing maintenance services for such medical equipment sets. The main groups of customers are hospitals affiliated with medical universities, hospitals in the cancer hospital network of the Department of Medical Services under the Ministry of Public Health, other state hospitals or public health organizations in the country and private hospitals.

A large proportion of the company's revenues come from product sales in the form of projects, acting as an end-to-end Solution Provider who is responsible for everything from structural work to systems such as electrical and cooling systems, and interior design to support the installation of radiation equipment and other ancillary equipment in the radiation room. Afterwards, the company is also responsible for the procurement and installation of various equipment associated with radiation (i.e., radiotherapy equipment, treatment planning system devices and other necessary accessories to facilitate the use of products ordered by customers).

The nature of our business is such that the resulting pattern of revenue recognition from the company's sale is revenue recognition upon delivery of the completed project. As a result, it is necessary for the company to continue construction of a radiation room, purchase and install the equipment and pass inspection by the client's project inspection committee before the revenue of the complete project can be recognized. The period of implementation of each project will be between 210-360 days before revenue can be recognized. This is one factor that makes the company more vulnerable to the instability and inconstancy of revenue should the company fail to deliver its product according to the plan.

An overview of the past results of operations

For the operating results for the past three years from the year 2020 - 2022, The company and its subsidiary had a main revenue from sales, rendering services, and construction were 755.34 million Baht, 2,920.76 million Baht and 1,225.58 million Baht respectively. Revenue from sales were 527.04 million Baht, 2,593.12 million Baht and 786.41 million Baht respectively. Revenue from rendering of services were 196.50 million Baht, 247.46 million Baht and 341.03 million Baht respectively. Revenue from construction were 0.82 million Baht, 5.23 million Baht and 0.00 million Baht respectively and revenue from hospital operations 30.98 million Baht, 74.95 million Baht and 98.14 million Baht respectively.

For the year 2020, the company and its subsidiaries had sales revenues close to the previous year. Service income increases due to the company recognized revenue from gene testing services of 2.30 million Baht, revenue from special services of 15.16 million Baht. Because the company had more maintenance service contracts from the same period of the previous year. Due to the product warranty period according to the purchase contract after the delivery of many clients expires. Therefore, there are more continual maintenance contracts. For the year 2021, the company and its subsidiaries had revenue from sales increase was due to the Company deliver 13 Projects amount more than 50 million Baht. Revenue from deliver project centers treating cancer patients with protons radiotherapy of King Chulalongkorn Memorial Hospital of 924.81 million Baht. revenue from rendering of services increase was due to the company generate additional revenue from Genetic Diagnosis service of 0.11 million Baht. Revenue for relocation radiation simulator of 10.42 million Baht and the product warranty under the purchase contract after the delivery has expired many projects. Therefore, there are many service contracts is increased during this period. revenue from construction of hospital building customer and revenue from hospital operations increase the number of customers service from the hospital. For the year 2022, , the company and its subsidiaries had revenue from sales decrease was due to the Company deliver 4 Projects amount more than 50 million Baht. revenue from rendering of services increase was due to the company has more maintenance contracts than the same period of the previous year. revenue from hospital operations increase the number of customers service from the hospital.



The company and its subsidiary had gross profits in the year 2020, 2021 and 2022 were 133.44 million Baht, 621.94 million Baht and 251.76 million Baht or 17.67%, 21.29% and 20.54% gross profit margin. Which is divided into gross profit from sales 110.97 million Baht, 554.11 million Baht and 164.05 million Baht representing the gross profit margin from sales equal to 21.06%, 21.37% and 20.86% respectively, and gross profit from services 39.29 million Baht, 51.32 million Baht and 62.66 million Baht representing a gross margin from services equal to 20.00%, 20.74% and 18.37% respectively.

In the year 2020, the company and its subsidiaries had gross profit from sales of 110.97 million Baht or equivalent to 21.06% of gross profit from sales. This is lower than the same gross profit margin of the previous year which was 30.40% lower gross profit margin due to the delivery of large projects. This is normal gross margin of the project work.

In the year 2021, the company and its subsidiaries had a gross profit from sales of 554.11 million Baht or equivalent to gross profit margin of 21.37%, of the same period of previous year at 21.06%.

For the year 2022, the Company and its subsidiary had a gross profit from sales of 164.05 million Baht or equivalent to gross profit margin of 20.86%, of the same period of previous year at 21.37%.

The company and its subsidiary had a Profit attributable to Equity holders of the Company for the year 2020, 2021 and 2022 44.40 million Baht 420.33 million Baht and 133.43 million Baht respectively, or a net profit margin of 5.80%, 14.33% and 10.80 million Baht respectively.

In the year 2020, the company and its subsidiaries had total comprehensive income from major shareholders' equity of 44.40 million baht or 5.80% net profit margin compared to the same period of last year with total comprehensive income from major shareholders' equity. The company's net profit was 91.46 million Baht or 12.46% of the net profit margin. Because the company has a lower gross margin and loss from exchange rate.

In the year 2021, the company and its subsidiaries had a net profit attributable to equity holder of the parent of 420.33 million Baht, or equivalent to net profit margin of 14.33% compared to the previous year, which had the net profit attributable to equity holder of the parent of 44.40 million Baht or equivalent to net profit margin of 5.80%. the Company had net profit margin was as planned and the Company normal profit margin.

In the year 2022, the Company and subsidiary had a net profit attributable to equity holder of the parent of 133.43 million Baht, or equivalent to net profit margin of 10.80% compared to the previous year, which had the net profit attributable to equity holder of the parent of 420.33 million Baht or net profit margin of 14.33%. The Company had lower net profit margin as due to the decrease in revenue from sales and deliver 4 Projects compared to the previous year.

The analysis of operating results and financial position for the accounting periods of the year 2020, 2021 and 2022 are summarized below

Analysis of Operating Results

Revenue

The company and its subsidiary had a total revenues in the year 2020, 2021 and 2022 were 765.13 million Baht 2,934.14 million Baht and 1,235.20 million Baht respectively, with details on the revenue structure as follows:

Year 2020 – 2022 Revenue structures

Type of Revenue	Year 2020		Year 2021		Year 2022	
	million Baht	%	million Baht	%	million Baht	%
Revenue from sales of goods	527.04	68.88	2,593.12	88.38	786.41	63.67
Revenue from rendering of services ^{/1}	196.50	25.68	247.46	8.43	341.03	27.61
Revenue from Construction ^{/2}	0.82	0.11	5.23	0.18	0.00	0.00
Revenue from hospital operations ^{/3}	30.98	4.05	74.95	2.55	98.14	7.95
Revenue from sales, services and construction	755.34	98.72	2,920.76	99.54	1,225.58	99.23
Other income ^{/4}	9.79	1.28	13.38	0.46	9.62	0.77
Total revenues	765.13	100.00	2,934.14	100.00	1,235.20	100.00

Note:

^{/1} Revenues include revenues from services, maintenance and repair of radiation equipment and various accessories including revenues from upgrade services for system software related to radiation products and revenue from Genetic Diagnosis service.

^{/2} Revenue from construction is the revenue generated from the contract for the establishment of a cancer patient center with proton particles. The company received the project and started construction in the second quarter of 2017. Work completed 100% in Q3' Year 2020 and revenue from construction of hospital building customer started construction and completed 100% in Year 2021.

^{/3} Revenue from hospital operations investment in Cancer Alliance Co., Ltd. ("CAH") as subsidiary to operate specialized hospital for cancer treatment. The subsidiary started its operations in 1 October 2019

^{/4} Other income include interest income, gains on currency exchange, gains from employee benefit adjustment and other income.

Revenues from Sales, Services and Construction

Main revenues from sales, services and construction in the year 2020, 2021 and 2022 were 755.34 million Baht 2,920.76 million Baht and 1,225.58 million Baht representing 98.72%, 99.54% and 99.23% of total revenue, respectively. Revenue from sales and services can be divided into 4 categories as follows:

1) Revenue from sales of goods

Most of the company and its subsidiary had sales revenues are from the sale and installation of medical equipment in contracts resulting from project sales. In the year 2020 revenues are recognized when significant risks and significant rewards of ownership of the significant goods in the contract have passed to the buyer. In the year 2021 and 2022 is recognized at point in time when a customer obtains control of the goods. The nature of business of the company, as mentioned above, means that the company must carry out the construction of a radiation therapy room (if any), purchase and install various equipment and pass inspection from the client's project inspection committee before the revenue of the completed project can be recognized. Aside from this, the company also had income from merchandising of other medical equipment of which the value is not very high.

In the year 2020, 2021 and 2022, sales revenues were 527.04 million Baht, 2,593.12 million Baht and 786.41 million Baht or 68.88%, 88.38% and 63.67% of total revenue, respectively. In comparison, sales revenue during the year 2020 - 2022 shows that revenues from sales In the year 2020, the company and its subsidiaries had sales revenue of 527.04 million Baht, an increase of 6.14 million Baht or an increase of 1.18%, similar to the same period of the previous year, which was 520.90 million Baht. In the year 2021 the company and its subsidiaries had revenue from sales of 2,593.12 million Baht, increasing by 2,066.08 million Baht or 392.01%, of previous year of 527.04 million Baht. This increase was due to the Company deliver 13 Projects amount more than 50 million Baht. Revenue from deliver project centers treating cancer patients with protons radiotherapy of King Chulalongkorn Memorial Hospital of 924.81 million Baht. In the year 2022, the Company and its subsidiary generated revenue from sales of 786.41 million Baht, decreasing by 1,806.71 million Baht or 69.67%, of previous year of 2,593.12 million Baht. This decrease was due to the Company deliver 4 Projects amount more than 50 million Baht.

2) Revenue from rendering of services

Revenue from rendering of services is revenue from providing maintenance service for medical equipment sets, after the customer's insurance contract expires post-project delivery. Such service will allow the equipment to operate efficiently throughout its lifespan. The company has provided customers with annual maintenance agreements of which the average revenue is recognized on a monthly basis at equal monthly rates. In addition, the company also provides maintenance services and supplies various types of equipment not covered under the maintenance agreement for which customers can request service on a case by case basis according to the nature of the problem, such as maintenance of the chiller system, maintenance of the air conditioning and cooling systems, etc. The company also has services revenue from the upgrade of software systems used in radiation equipment in order to progress towards more efficient software systems. These include software system upgrades for the development of treatment plans which allow treatment plans to be developed with greater efficiency and accuracy and revenue from Genetic Diagnosis service.

In the year 2020, 2021 and 2022, The company and its subsidiary had services revenues were 196.50 million Baht, 247.46 million Baht and 341.03 million Baht or 25.68%, 8.43% and 27.61% of the total revenues, respectively.

In the year 2020, the company and its subsidiaries had service income of 196.50 million Baht, an increase of 30.99 million Baht or an increase of 18.72% from the previous year, which was 165.51 million Baht. Due to the year 2020 the company recognized revenue from Gene testing services in the amount of 2.30 million Baht, revenue from special services of 15.16 million Baht, and because the company has an increasing number of maintenance service contracts from the same period of the previous year. Due to the product warranty period according to the purchase contract after the delivery of many clients expires. Therefore, there are more continual maintenance contracts.

In the year 2021, the company and its subsidiaries had revenue from rendering of services of 247.46 million Baht, increasing by 50.96 million Baht or 25.94%, when compared to the previous year of 196.50 million Baht. This increase was due to the company generate additional revenue from Genetic Diagnosis service of 0.11 million Baht. Revenue for relocation radiation simulator of 10.42 million Baht and the product warranty under the purchase contract after the delivery has expired many projects. Therefore, there are many service contracts is increased during this period.

In the year 2022, the Company and its subsidiary generated a revenue from rendering of services of 341.03 million Baht, increasing by 93.57 million Baht or 37.81%, when compared to the previous year of 247.46 million Baht. This increase was due to the company has more maintenance contracts than the same period of the previous year.

3) Revenue from Construction

Revenue from construction is the revenue generated from the contract for the establishment of a cancer patient center with proton particles. The company received the project and started construction in the second quarter of 2017 and will be recognized by the proportion of work completed and work completed 100% in Q3' Year 2020 and revenue from construction of hospital building customer started construction and completed 100% in Year 2021.

In the year 2020, the company and its subsidiaries had construction income of 0.82 million Baht, with the company gradually recognizing construction income from the ratio of the cost of the contract work completed compared with the total construction cost estimate as of 31 December 2020 the company recognized revenue from the construction of the said project totaled 100.00%

In the year 2021, the company and its subsidiaries had revenue from construction of hospital building customer of 5.23 million Baht which the Company recorded cost of construction according to percentage of completion. Therefore, as of 31 December 2021, the Company has recognized revenue from construction of the project of 100.00%

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. The subsidiary started its operations in 1 October 2019. For the year 2020, 2021 and 2022 the company and its subsidiary generated a revenue from hospital operations of 30.98 million Baht, 74.95 million Baht and 98.14 million Baht respectively.

In the year 2021, the company and its subsidiaries revenue from hospital operations of 74.95 million Baht, increasing by 43.97 million Baht or 141.95%, when compared to the previous year. The increase the number of customers service from the hospital. From the situation of the outbreak of the Coronavirus Disease 2019 ("COVID-19") revenue is not the planed but has continued to improve.

In the year 2022, the Company and its subsidiary generated a revenue from hospital operations of 98.14 million Baht, increasing by 23.19 million Baht or 30.93%, when compared to the previous year. The increase the number of customers service from the hospital.



Costs and Gross Profit Margins

The company's costs of sales, services, and construction in the year 2020, 2021 and 2022 were 621.90 million Baht, 2,298.82 million Baht and 973.82 million Baht or 81.28%, 78.35% and 79.46% of total revenues respectively. As a result, the total gross profit of the company was 133.44 million Baht, 621.94 million Baht and 251.76 million Baht or a gross profit margin of 17.67% , 21.29% and 20.54% respectively. The total cost can be divided into the cost of sales of goods, cost of rendering of services, cost of construction and cost of hospital operations, which correspond to the types of revenue. This change can be explained as follows:

Structures of Costs to Total Revenue 2020-2022

Type of cost	Year 2020		Year 2021		Year 2022	
	million Baht	%	million Baht	%	million Baht	%
1) Costs of sales of goods	416.07	54.38	2,039.01	69.49	622.36	50.38
2) Costs of rendering of services	157.21	20.55	196.14	6.69	278.37	22.54
3) Costs of construction	0.77	0.10	4.82	0.16	0.00	0.00
4) Cost of hospital operations	47.85	6.25	58.85	2.01	73.09	5.92
Costs of sales, services and construction	621.90	81.28	2,298.82	78.35	973.82	78.84

Cost of Operation and Cost to Revenue Ratio by Type of Operation

Cost of Operation and Cost to Revenue Ratio by Type of Operation	Year 2020		Year 2021		Year 2022	
	million Baht	%	million Baht	%	million Baht	%
Costs of sales of goods	416.07	78.94	2,039.01	78.63	622.36	79.14
Costs of rendering of services	157.21	80.00	196.14	79.26	278.37	81.63
Costs of construction	0.77	93.91	4.82	92.20	0.00	0.00
Cost of hospital operations	47.85	154.45	58.85	78.51	73.09	74.48
Total costs	621.90		2,298.82		973.82	

Gross (Loss) Profit and Cost to revenue Ratio by type of operation

Gross Profit and Cost to Revenue Ratio by type of operation	Year 2020		Year 2021		Year 2022	
	million Baht	%	million Baht	%	million Baht	%
Gross profit from sales of goods	110.97	21.06	554.11	21.37	164.05	20.86
Gross profit from rendering of services	39.29	20.00	51.32	20.74	62.66	18.37
Gross profit from construction	0.05	6.09	0.41	7.80	0.00	0.00
Gross Loss hospital operations	(16.87)	(54.45)	16.10	21.49	25.05	25.52
Total gross profit	133.44		621.94		251.76	
Gross profit margin (%)¹	17.67%		21.29%		20.54%	

¹Gross profit margin is calculated from the total of the gross profit divided by the total of revenue from sales, services, construction and hospital operations.

1) Cost of sales of goods and gross profit margin from sales of goods

The cost of sales of goods is comprised of the costs of merchandise which include medical equipment and other accessories, material, interior decoration to ready the space for installation of radiation equipment, labor, travel, transportation, consultation for the project implementation as well as other costs and provision for contractual guarantees. The cost of merchandise is the largest proportion of the costs at approximately 70-80 percent of the cost of sales. The company purchased such equipment from multiple vendors, both foreign and domestic. As for the labor cost, the company hired subcontractors to carry out structural work such as structural construction, electrical, mechanical and air conditioning systems and interior renovation, by contracting for materials and labor or labor only, in order to reduce the load on personnel management and labor. Hiring subcontractors also allowed for efficient cost management.

The company and its subsidiary had cost of sales in the year 2020, 2021 and 2022 were 416.07 million Baht, 2,039.01 million Baht and 622.36 million Baht. Gross profit from sales in 2020, 2021 and 2022 were 110.97 million Baht, 554.11 million Baht and 164.05 million Baht, or 21.06%, 21.37% and 20.86 % of the gross profit margin of sales to revenues from the sales respectively.

In the year 2020, the company and its subsidiaries had gross profit from sales of 110.97 million Baht or equivalent to 21.06% of gross profit from sales. This is lower than the same gross profit margin of the previous year which was 30.40% lower gross profit margin due to the delivery of large projects. This is normal gross margin of the project work.

In the year 2021, the company and its subsidiaries had gross profit from sales of 554.11 million Baht or equivalent to gross profit margin of 21.37%, of the same period of previous year at 21.06%. This is normal gross margin of the project work.

In the year 2022, the Company and its subsidiary had a gross profit from sales of 164.05 million Baht or equivalent to gross profit margin of 20.86%, of the same period of previous year at 21.37%.

2) Cost of rendering of services and gross profit margin from rendering of services

The cost of rendering of services can be classified into the following 3 types:

- 2.1 The cost of the maintenance agreement and/or software systems upgrades service back-to-back contracts, which the company made with the subcontracting company for the maintenance of the products within the scope of services of the manufacturer. For this type of service, when a customer needs maintenance or has problems with any part of the products, the company can coordinate and arrange for the manufacturing company to provide maintenance or solutions to its clients without any costs to the company.
- 2.2 The cost of labor and materials for the maintenance of medical equipment for customers, for the maintenance, service and supply of equipment not covered by the back-to-back maintenance contract with the subcontractor. Such costs are incurred when a customer requests for service on a case by case basis, based on the nature of the problem.
- 2.3 The cost of genetic testing services

In the year 2020, 2021 and 2022 the Company and its subsidiary had cost of services were 157.21 million Baht, 196.14 million Baht and 278.37 million Baht , and gross profit from services during such periods were 39.29 million Baht, 51.32 million Baht and 62.66 million Baht, representing 20.00%, 20.74% and 18.37%, of the gross profit margin from services to revenues from services respectively.

In the year 2020, the company and its subsidiaries had gross profit from services of 39.29 million Baht, with a gross profit margin of 20.00% of service revenue. This is close to the same gross profit margin of the previous year, which was 16.47%.

In the year 2021, the company and its subsidiaries gross profit from services of 51.32 million Baht or equivalent to gross profit margin of 20.74%, of the same period of previous year at 20.00%.

In the year 2022, the Company and its subsidiary had a gross profit from services of 62.66 million Baht or equivalent to gross profit margin of 18.37%, of the same period of previous year at 20.74%.

3) Cost of construction

Construction cost derived from the establishment of project centers treating cancer patients with protons radiotherapy with King Chulalongkorn Memorial Hospital, which commenced in the 2nd quarter of 2017. and work completed 100% in Q3' Year 2020 and revenue from construction of hospital building customer started construction and completed 100% in Year 2021.



In the year 2020, the company and its subsidiaries had a gross profit from construction of 0.05 million Baht, with a gross profit margin of 6.09% of the construction revenue. The gross profit margin for the project is in line with the project budget.

In the year 2021, the company and its subsidiaries had gross profit margin from construction of 0.41 million Baht or equivalent to gross profit margin of 7.80% according to total construction budget.

Selling and distribution expenses

Selling and distribution expenses consist mainly of expenses related to salaries and benefits for employees. In addition, expenses in this segment included commissions and other sales costs such as customer training seminars, product exhibits, etc. In the year 2020, 2021 and 2022, the company's selling and distribution expenses were 14.07 million Baht, 24.74 million Baht and 21.09 million Baht, or 1.84%, 0.84% and 1.71% of the total revenues respectively.

In the year 2020, the company and its subsidiaries had selling and distribution expenses of 14.07 million Baht, a decrease of 7.82 million Baht or 35.71% from the same period of the previous year. The main reason for the decrease was the reduction of travel expenses for the sales representative, advertising and promotion expenses and the cost of exhibiting products.

In the year 2021, the company and its subsidiaries had selling and distribution expenses of 24.74 million Baht, increasing by 10.67 million Baht or 75.86% compared to the previous year. This increase of human resources costs.

In the year 2022, the Company and its subsidiary had a selling and distribution expenses of 21.09 million Baht, decreasing by 3.65 million Baht or 14.76% compared to the previous year. This decrease of human resources costs.

Administrative Expenses

Significant administrative expenses consist of salaries, bonuses, employee expenses, miscellaneous expenses, depreciation and other charges, etc. The company's administrative expenses were relatively stable, and in the year 2020, 2021 and 2022 were 42.65 million Baht, 60.07 million Baht and 59.22 million Baht, representing 5.57%, 2.05% and 4.79%, of the total revenues, respectively.

In the year 2020, the company and its subsidiaries have administrative expenses equal to 42.65 million Baht or a decrease of 13.04 million Baht or 23.42% decrease from the previous year. The main reason for the decrease was the separation of administrative expenses and hospital business costs of the subsidiary. Compared with the same period of the previous year, expenses were recognized before the start of the hospital operation as administrative expenses in the whole amount.

In the year 2021, the company and its subsidiaries had administrative expenses of 60.07 million Baht, increasing by 17.42 million Baht or 40.84% compared to the previous year. This increase of human resources costs Financial and legal advisory fees.

In the year 2022, the Company had administrative expenses of 59.22 million Baht, of the same period of previous year of 60.07 million Baht.

Expenses for researching and developing technology and innovation.

Because the company engages in business as an importer distribution and installation of medical devices for cancer patients using radiotherapy. The company does not have the cost of research and development in terms of production or product innovation.

Financial costs

Financial expenses comprise interest expenses resulting from the use of credit lines from financial institutions and/or other financing sources, such as interest expenses in the use of credit lines, Letters of Credit (L/C), trust receipts and interest on debt agreements and interest expenses for construction hospital and purchase medical equipment, etc. In the year 2020, 2021 and 2022, the company had a financial cost of 22.45 million Baht, 24.21 million Baht and 14.34 million Baht, or 2.93%, 0.83% and 1.16%, of the total revenue respectively.

Profit attributable to Equity holders of the Company and Net Profit Margin

The company's Profit attributable to Equity holders of the Company in the year 2020, 2021 and 2022 were 44.40 million Baht, 420.33 million Baht and 133.43 million Baht, respectively. In the year 2020, a Profit attributable to Equity holders of the Company of 44.40 million Baht or decreased by 51.45%. In the year 2021, Profit attributable to Equity holders of the Company of the company was 420.33 million Baht or increased by 846.64% from the previous year. In the year 2022, a Profit attributable to Equity holders of the Company of 133.43 million Baht or decreased by 68.26%.



The net profit margins of the company and its subsidiary in the year 2020, 2021 and 2022 were 5.80%, 14.33% and 10.80%, respectively, which could explain the change in the net profit margin indicated below.

In the year 2020, the company and its subsidiaries had total comprehensive income from equity of the major shareholder of the company equal to 44.40 million Baht or 5.80% net profit margin compared to the same period of the previous year with total comprehensive income from shareholders' equity. The company's net profit margin was 91.46 million Baht or 12.46 percent of net profit margin. Because the company has a lower gross margin and loss from exchange rate.

In the year 2021, the company and its subsidiaries had net profit attributable to equity holder of the parent of 420.33 million Baht, or equivalent to net profit margin of 14.33% compared to the previous year, which had the net profit attributable to equity holder of the parent of 44.40 million Baht or equivalent to net profit margin of 5.80%. For the year 2021 the Company had net profit margin was as planned and the Company normal profit margin.

In the year 2022, the Company and subsidiary had a net profit attributable to equity holder of the parent of 133.43 million Baht, or equivalent to net profit margin of 10.80% compared to the previous year, which had the net profit attributable to equity holder of the parent of 420.33 million Baht or net profit margin of 14.33%. The Company had lower net profit margin as due to the decrease in revenue from sales and deliver 4 Projects compared to the previous year deliver 13 Projects.

Return on Equity

The company and its subsidiary had returns on equity for the year 2020, 2021 and 2022 were 7.93%, 63.42% and 17.26% , respectively.

In the year 2020, the return on equity is lower than the previous year. Due to the decrease in net profit. In the year 2021, the return on equity increase revenues and net profit.

In the year 2022, the return on equity is lower than the previous year. Due to the decrease in net profit.

Financial Position of the company

Total assets

As of 31 December 2020, 2021 and 2022, the company and its subsidiary had total assets of 2,032.65 million Baht, 1,807.75 million Baht and 1,406.30 million Baht, respectively. Significant assets that influenced the changes in the total assets of the company are as follows:

Current assets

As of 31 December 2020, 2021 and 2022, the company's total current assets were 1,518.87 million Baht, 1,302.69 million Baht and 956.62 million Baht , representing 74.72 % , 72.06 % and 68.02%, of the total assets, respectively. The details of each significant item are as follows:

- **Cash and cash equivalents:** On 31 December 2020, 2021 and 2022, cash and cash equivalents were at 206.56 million Baht, 323.37 million Baht and 233.71 million Baht , or 10.16%, 17.89% and 16.62%, of the total assets respectively, which consists of petty cash current deposits and fixed deposits. In the year 2020 and 2021, cash and cash equivalents increased. Project work delivered in Q4 will be paid from trade accounts receivable by the end of year. In the year 2022, cash and cash equivalents decreased from dividend paid payment trade and other payables and payment of long-term borrowings.
- **Trade accounts and other receivables - net:** As of 31 December 2020, 2021 and 2022, the company and its subsidiary had a net value of trade accounts receivables and other accounts receivables of 132.07 million Baht, 576.10 million Baht and 231.38 million Baht , or 6.50%, 31.87 % and 16.45%, of the total assets, respectively, which are described below:

(Unit : million Baht)

	31 Dec 2020	31 Dec 2021	31 Dec 2022
Trade accounts receivables	131.36	575.16	229.92
Less the allowance for doubtful accounts	(0.00)	(0.00)	(0.00)
Trade accounts receivables - net	131.36	575.16	229.92
Other accounts receivables - net	0.71	0.94	1.46
Total trade accounts and other receivables - net	132.07	576.10	231.38

The evaluation of trade accounts receivables as of 31 December 2020, 2021 and 2022 showed that in the year 2020, major trade accounts receivable such as Bangkok Dusit Medical Services Public Company Limited. In the year 2021 main customer of trade account receivables project centers treating cancer patients with protons radiotherapy of King Chulalongkorn Memorial Hospital. the year 2022, major trade accounts receivable such as Ubonratchathani Cancer Hospital.

The company has an allowance for doubtful accounts in the amount of receivables unexpected to be billed, based on debt collection experience in the past, coupled with the current status of existing receivables. However, due to customers being mainly medical university hospitals and cancer hospitals affiliated with the Department of Medical Services under the Ministry of Health, the likelihood of collection of receivables is not considered low. Consequently, the company did not set up the allowance for doubtful accounts. In the past, the company has never faced any problem in debt collection from customers, and has not had any bad debt during its operation.

	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	million Baht	%	million Baht	%	million Baht	%
Value of Trade accounts Receivables						
Current	50.73	38.62	517.12	89.91	179.95	78.27
Overdue						
Not over 3 months	1.67	1.27	9.66	1.68	10.91	4.74
Over 3-6 months	0.40	0.30	4.30	0.75	1.12	0.49
Over 6-12 months	0.00	0.00	0.95	0.16	1.34	0.58
Total trade accounts receivables	52.80	40.19	532.03	92.50	193.32	84.08
Unbilled trade receivables	78.56	59.81	43.13	7.50	36.60	15.92
Trade accounts receivables - net	131.36	100.00	575.16	100.00	229.92	100.00

The company has a policy of providing a credit term with trade receivables for a period not exceeding 90 days. The above table shows the value of receivables sorted by aging which indicates that trade receivables are mainly current receivables that are not yet due for payment, which equals 50.73 million Baht, 517.12 million Baht and 179.95 million Baht or 38.62%, 89.91% and 78.27% of total trade receivables as of 31 December 2020 and 2021, 2022 respectively.

For other receivables such as unbilled trade receivables are receivables that the company already rendered the services but had to wait for billing invoice due to conditions specified in the contract. The accounts receivable arising from the sale of goods that have successfully transferred control over the products to customers but are pending billing from customers.



- **Construction contracts** As of 31 December 2020, 2021 and 2022, the construction contract work in progress valued 7.19 million Baht, 0.00 million Baht and 0.00 million Baht which was during invoice billing for the project center treating cancers with proton radiotherapy to the King Chulalongkorn Memorial Hospital
- **Inventories - net:** As of 31 December 2020, 2021 and 2022, the company had a net value of inventories of 1,117.49 million Baht , 311.69 million Baht and 316.08 million Baht or 54.98%, 17.24% and 22.48% of the total assets, respectively.

	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	million Baht	%	million Baht	%	million Baht	%
Medical equipment and work in progress	1,111.48	99.46	197.77	63.45	306.77	97.05
Spare parts and supplies	1.06	0.09	11.01	3.53	6.59	2.08
Medicines, supplies and other materials	1.07	0.10	1.14	0.37	1.38	0.44
Goods in transit	3.88	0.35	103.09	33.07	1.79	0.57
Less allowance for declining in value of inventories	0.00	0.00	(1.32)	(0.42)	(0.45)	(0.14)
Inventories – net	1,117.49	100.00	311.69	100.00	316.08	100.00

As of 31 December 2020, 2021 and 2022, the company's Inventories are primarily products that are in the process of being installed for the clients, valued at 1,111,48 million Baht, 197.77 million Baht and 306.77 million Baht, respectively.

In the year 2020 there will be a large increase in inventories. This is because the medical equipment and work in process awaiting installation for customers in accordance with the project contract establishing a cancer treatment center with proton particles. To Chulalongkorn Hospital, The Thai Red Cross Society, Chulabhorn, Faculty of Medicine, Ramathibodi Hospital and Sawan Pracharak Hospital.

In the year 2021 the company and its subsidiary had inventories increase from medical equipment and work in progress of being installed for the Thainakarin Hospital and Faculty of Medicine Siriraj Hospital Mahidol University. Goods in transit for Chulalongkorn Hospital, The Thai Red Cross Society and Less allowance for declining in value of inventories from Covid-19 Antigen Test Kit.

In the year 2022 the company and its subsidiary had inventories increase from medical equipment and work in progress of being installed for the Siriraj Piyamaharajkarun Hospital, NL Development Public Company Limited, Chulalongkorn Hospital and Less allowance for declining in value of inventories from Covid-19 Antigen Test Kit.

- **Other current financial assets:** As of December 31, 2020, 2021 and 2022, the value is 0.12 million Baht, 3.19 million Baht and 31.59 million Baht, or equivalent to 0.01%, 0.18% and 2.25% according to other current financial assets include fixed deposits, which are used as collateral for credit facilities from local banks. Therefore, it is necessary to deposit money into a fixed deposit account to secure the bank's project credit facility for the year 2020, 2021 and 2022. The company and its subsidiaries have deposit money in a fixed deposit account to guarantee the bank's project credit.
- **Other current assets:** As of December 31, 2020, 2021 and 2022, the value is 55.44 million Baht, 88.34 million Baht and 143.86 million Baht, or equivalent to 2.72%, 4.88% and 10.22% respectively. The company and its subsidiaries have prepaid service cost, advance for purchase of inventories, input tax refundable, prepaid expense and undue input vat.



Non-current assets

As of 31 December 2020, 2021 and 2022, the company's non-current assets were valued at 513.78 million Baht, 505.06 million Baht and 449.68 million Baht, or 25.28 % , 27.94% and 31.98% of total assets, respectively, as described in each of the following:

- **Restricted bank deposits:** As of 31 December 2020, 2021 and 2022, the Company's Restricted bank deposits valued 107.31 million Baht, 114.90 million Baht and 79.94 million Baht or 5.28%, 6.37% and 5.68% of total assets. This investment is 3 month to 12 month fixed deposits as collateral with financial institution for loan of project according to the credit limit of banks.
- **Property, Plant and Equipment - net:** As of 31 December 2020, 2021 and 2022, the company's net value of property, plant and equipment was 387.84 million Baht, 370.09 million Baht and 349.49 million Baht or 19.08%, 20.47% and 24.85% of total assets, respectively, consisting of office supplies, office improvements, vehicles, etc.
- **Rights of use assets:** As of 31 December 2020, 2021 and 2022, the company's had Rights of use assets was 6.70 million Baht, 5.01 million Baht and 3.33 million Baht or 0.33%, 0.28% and 0.24% of total assets, respectively, the company's office apartment lease agreement and hire-purchase of medical devices under the subsidiary's
- **Intangible assets:** As of 31 December 2020, 2021 and 2022, the company's had Intangible assets was 0.54 million Baht, 1.16 million Baht and 1.01 million Baht or 0.03%, 0.06% and 0.07% of total assets, respectively, the company and its subsidiary had computer programs used in the operation of the company.
- **Other non-current assets:** As of 31 December 2020, 2021 and 2022 the company and its subsidiary had other non-current assets valued 0.97 million Baht, 1.04 million Baht and 1.33 million Baht or 0.05%, 0.05% and 0.09% of total assets. In the year 2020 2021 and 2022, the company has other non-current assets, which is the office rental deposit and the electricity meter security of the subsidiary.

Sources of Funds

Debt

Total liabilities

As of 31 December 2020, 2021 and 2022, the company had total liabilities of 1,458.15 million Baht, 966.61 million Baht and 585.67 million Baht respectively, or 71.74%, 53.47% and 41.65% of the liabilities and shareholders' equity, respectively. The liabilities with major changes are as follows:

Current liabilities

As of 31 December 2020, 2021 and 2022, the company's current liabilities values were 1,197.31 million Baht, 624.72 million Baht, and 405.20 million Baht respectively, or 58.91%, 34.55% and 28.82% of liabilities and shareholders' equity, respectively. The details of each significant item are as follows:

- **Short-term borrowing from financial institutions:** As of 31 December 2020, 2021 and 2022 were 249.47 million Baht, 115.19 million Baht and 91.49 million Baht or 12.27%, 6.37% and 6.51% of liabilities and shareholders' equity respectively. In the year 2020, 2021, and 2022, the company and its subsidiary had Shortterm borrowing from financial institutions for promissory note and trust receipts purchase Medical equipment.
- **Trade and other payables:** As of 31 December 2020, 2021 and 2022 were 917.56 million Baht, 439.78 million Baht and 239.15 million Baht or 45.14%, 24.33% and 17.00% of liabilities and shareholders' equity respectively, as described in the table below:



(Unit: million Baht)

	31 Dec 2020	31 Dec 2021	31 Dec 2022
Trade accounts payables	400.49	209.66	62.03
Current portion of long-term trade payables	0.00	20.76	4.50
Accrued expenses	2.60	3.21	5.18
Advances from customers and unearned revenue	509.45	186.36	160.81
Other accounts payables	5.02	19.79	6.63
Total trade accounts and other payables	917.56	439.78	239.15

From above information, most payables are trade payables from the orders of various medical equipment from abroad to be used in its ongoing projects. Other payables include some accrued expenses and deposit from customers advances service extended warranty from other customers and unearned revenue etc.

- **Short-term provisions:** As of 31 December 2020, 2021 and 2022, the company had outstanding liabilities under contractual warranties of 2.18 million Baht, 9.83 million Baht and 11.26 million Baht or 0.11% ,0.54% and 0.80% of liabilities and shareholders' equity, respectively. Long-term provisions 1.10 million Baht, 7.60 million Baht and 3.29 million Baht, or 0.05%, 0.42% and 0.23%. The above items are provisions for the contractual product warranties provided after delivery, the costs of which are a part of the business that the company shall be responsible for, as the manufacturer does not provide such warranty provisions.
- **Other current financial liabilities:** As of 31 December 2020, 2021 and 2022, the company and its subsidiary had Other current financial liabilities, which were fair value of forward contracts under the project center treating cancer patients with protons radiotherapy, equaled to 10.47 million Baht, 0.00 million Baht and 9.83 million Baht Representing the ratio of liabilities and shareholders' equity equal to 0.52%, 0.00% and 0.70% which is the fair value of the forward foreign exchange contract.

Non-current liabilities

As of 31 December 2020, 2021 and 2022, the company had non-current liabilities of 260.84 million Baht, 341.89 million Baht and 180.47 million Baht, or 12.83% , 18.91% and 12.83% of liabilities and shareholders' equity respectively, as described below

- **Non-current trade and other payables:** As of 31 December 2021 and 2022 the company's Non-current trade and other payables were valued at 87.04 million, 70.71 million Baht, or 4.82%,5.03% of liabilities and shareholders' equity, respectively. Long-term trade payables and Non-current unearned revenue.
- **Long-term borrowings:** As of 31 December 2020, 2021 and 2022, the Company and its subsidiary had Long-term borrowings were valued at 245.03 million Baht, 234.07 million Baht and 94.81 million Baht or 12.06%, 12.95% and 6.74% of liabilities and shareholders' equity, respectively. In the year 2020,2021 and 2022, the company and its subsidiary had long-term borrowings for construction hospital and purchase medical equipment due within one year of 9.49 million Baht ,13.07 million Baht and 32.70 million Baht, respectively.
- **Liabilities under lease agreements:** As of December 31, 2020, 2021 and 2022, the company and its subsidiaries had lease liabilities equal to 5.32 million Baht, 3.64 million Baht and 1.83 million Baht, accounting for liabilities and shareholders' equity equal. 0.26%, 0.20% and 0.13% respectively. These consist of Liabilities under lease agreements for liabilities under the company's office apartment lease agreement and lease for medical equipments of the liabilities due within one year 1.57 million Baht, 1.68 million Baht and 1.82 million Baht.



Shareholders' Equity

As of 31 December 2020, 2021 and 2022, the shareholders' Equity attributable to owners of the Company was 532.16 million Baht, 793.49 million Baht and 752.77 million Baht or liabilities and shareholders' equity 26.18%, 43.89% and 53.53% liabilities and shareholders' equity respectively. The details of each significant item are described in the following list:

- **Authorized share capital:** As at 31 December 2020, 2021 and 2022 the Company had a Authorized share capital of 200 million Baht, 220 million Baht and 330 million Baht, In the year 2021, An allocation of the newly issued ordinary shares not exceeding 40,000,000 shares at par value of Baht 0.50 to accommodate the exercise of the warrants. In the year 2022, increase in its registered share capital 110 million Baht 220 million ordinary shares of Baht 0.50 each from stock dividends and adjustment of the exercise of the warrants (BIZ-W1).
- **Issued and paid-up share capital:** As at 31 December 2020, 2021 and 2022, the Company had a Issued and paid-up share capital of 200.00 million Baht, 200.00 million Baht and 300.37 million Baht representing, In the year 2022, Issued and paid-up share capital increase from stock dividends 99.98 million Baht and Exercise of the warrants (BIZ-W1) 0.39 million Baht.
- **Premium on ordinary shares:** As at 31 December 2020, 2021 and 2022, the Company had a share premium of 222.33 million Baht, 222.33 million Baht and 225.54 million Baht representing 10.94%, 12.30% and 16.04% of total liabilities and shareholders' equity. In the year 2022, Premium on ordinary shares increase from Exercise of the warrants (BIZ-W1) 3.21 million Baht.
- **Deficit on changes in percentage of shareholding in subsidiary:** As at 31 December 2022 the Company had a deficit on changes in percentage of shareholding in subsidiary of (7.74) million Baht or (0.55%) of total liabilities and shareholders' equity. In the year 2022, Deficit on changes in percentage of shareholding in subsidiary from change in the percentage of shareholding in the subsidiary which not result in a loss of control from cash paid for purchase of investments in subsidiary 31.40 million Baht, less adjusted Non-controlling interests of the subsidiary 23.66 million Baht.
- **Appropriated-statutory reserve:** As at 31 December 2020, 2021 and 2022, the Company had a Appropriated-statutory reserve of 20.00 million Baht, 22.00 million Baht and 28.85 million Baht representing 0.98%, 1.22% and 2.05% of total liabilities and shareholders' equity. In the year 2021 The Board of Directors' Meeting approved legal reserve increase of 2 million Baht or 0.47% from the net profit of the year 2021. The Appropriated-statutory until this account reaches an amount not less than 10% of the authorized share capital. In the year 2022, The Board of Directors' Meeting approved Appropriated-statutory increase of 6.85 million Baht or 0.05% from the net profit of the year 2022. The legal reserve amount 8.74% of the authorized share capital.
- **Retained earnings:** As of December 31, 2020, 2021 and 2022, the company had unallocated earnings of 89.83 million Baht, 349.16 million Baht and 205.75 million Baht, representing of total liabilities and shareholders' equity. 4.42%, 19.31% and 14.63% respectively, In the year 2020, the Annual General Meeting of Shareholders 2020 approved a dividend payment of 100 million Baht, resulting in as of December 31, 2020, the company had unallocated retained earnings equal to 89.83 million Baht. In the year 2021, annual shareholder meeting of 2020 has resolved to approve dividend payment of 60 million Baht, The Board of Directors' Meeting approved interim dividends of 100 million Baht and increase legal reserve of 2 million Baht. affecting retained earnings as at 31 December 2021 to be 349.16 million Baht. In the year 2022, annual shareholder meeting of 2022 has resolved to approve dividend payment of 371.11 million Baht, The Company paid an interim dividend of Baht 0.25 per share, or a total of 100 million Baht, in December 2021, and is to pay the remaining Baht 0.6777777775 per share, or a total of 271.11 million Baht in the form of common stock and cash and increase Appropriated-statutory of 6.85 million Baht. affecting retained earnings as at 31 December 2022 to be 205.75 million Baht.



Debt to Equity Ratio

As of 31 December 2020, 2021 and 2022, the company had a ratio of debt to equity of 2.74 times, 1.15 times, and 0.71 times respectively and interest-bearing debt to equity ratio of 0.95 times, 0.46 times and 0.27 times respectively.

Interest Coverage and Debt Service Coverage Ratios

In the year 2020, 2021 and 2022, the company and its subsidiary had an interest coverage ratio of 20.92 times, 41.81 times and 18.31 times respectively. From the above data, it can be observed that the company's interest coverage ratio was volatile each year, depending on whether the company was able to deliver the projects and receive payments within the accounting period or not. In the year 2020, the company has delivered work in Q4' 2020 and can be billed to customers within the year. Causing the cash flow from operations to increase and resulting in better interest coverage ratio. In the year 2021, the company has net profit increase and decrease inventory. Causing the cash flow from operations to increase and resulting in better interest coverage ratio. In the year 2022, cash flow from operations to decrease from the previous year. As a result, the interest coverage ratio decreased.

In the year 2020, 2021 and 2022, the company and its subsidiary had a ratio of debt service coverage of 1.58 times, 1.37 times and 0.66 times respectively. The reason such ratios fluctuated was partly from fluctuations in cash flow from the operation in each period.

Although in some periods, the ratio of interest coverage and debt service coverage were negative, reflecting a lack of cash flow from operations to repay incurred obligations, the company managed its liquidity by using short-term loans from financial institutions such as L/C or T/R or O/D, etc. It is common for businesses typically to get paid by customers only upon delivery. If payment was not received within the prescribed period, the company managed the lack of liquidity with short-term loans from financial institutions. However, after the Company was listed on the Stock Exchange of Thailand, the funds raised from the Initial Public Offering can be used as an alternative source of working capital.

Liquidity

As of 31 December 2020, 2021 and 2022, the company and its subsidiary had current assets of 1,518.87 million Baht, 1,302.69 million Baht and 956.62 million Baht, or 74.72%, 72.06 % and 68.02% of total assets respectively.

As of 31 December 2020, 2021 and 2022, the Company and its subsidiary had current liabilities of 1,197.31 million Baht, 624.72 million Baht and 405.20 million Baht or equal to 58.91%, 34.55% and 28.82% of the liabilities and shareholders' equity respectively. The changes in such current assets and current liabilities caused the company and its subsidiary liquidity ratio in the year 2020, 2021 and 2022 to be 1.27 times, 2.09 times and 2.36 times respectively, and the quick ratio was 0.36 times, 1.44 times and 1.14 times respectively. In the year 2020, the company and its subsidiary had liquidity ratio level was dropped as increase short term borrowings from financial institutions. In the year 2021 and 2022 the company and its subsidiary had liquidity ratio level was increase as decrease short term borrowings from financial institutions and trade payables.

Cash Cycle

As of 31 December 2020, 2021 and 2022, the company had a cash cycle of 420 days, 98 days and 160 days respectively. From the above information, it can be observed that the company had a relatively long average cash cycle as the company was engaged primarily in the form of projects, which took a rather long time to complete. As a result, the company's inventories were high, leading to a low inventory turnover ratio and longer than average sale period. The average collection period of the company was prolonged as well, since the company delivered and



billed for projects with high values at the end of the year, causing a year-end increase in trade accounts receivable. Consequently, the accounts receivable turnover ratio was lowered. Additionally, the purchases of merchandise from foreign or local manufacturers require a short period of repayment leading to a high creditor turnover ratio.

Also, it can be observed that the cash turnover ratio fluctuated throughout such period due to the unique nature of the business of the company, where revenue will only be recognized when transfer of control over products to customers is complete.

Cash flow for fiscal year 2022 ended 31 December 2022

Net cash provides by (used in) operating activities

The company's cash flows from operating activities was 216.05 million Baht, mainly from receive money from trade accounts receivable.

Net cash provides by (used in) investing activities

The company had net cash flows from investing activities equal to 7.55 million Baht, resulting from a decrease restricted bank deposits. Because the project that has been delivered can withdraw the guarantee money.

Net cash provides by (used in) financing activities

The company's cash flows used in financing activities was (312.87) million Baht, due to a significant outflow of cash payment of interest 14.49 million Baht, payment short-term borrowings from financial institutions of 23.70 million Baht, payment of long-term borrowings 119.61 million Baht and dividends payment of 171.08 million Baht.

Factors which may affect the company's future operations

As the company's main business deals with products that are very specific in terms of technology, there are certain aspects that could affect the company's performance:

1. Standard accounting practice states that the company must recognize its revenue only when it has completely transferred the risks concerning the product to the client. For high-value projects, it takes about 210-360 days (from the date of the sale contract) to complete and hand over the project to the client, which is when the revenue can be entirely recognized. Therefore, in the case that the company is unable to hand the project over to the client in the planned quarter, especially regarding high-value projects, the company risks fluctuations in its performance each quarter.
2. Because of the specialty of the company's products which have a lifespan of 12-15 years, in conjunction with the slow pace of technological advancement in the field of radiotherapy, the time for the product's replacement could be relatively long and the company's client base can be considered a niche market, which is limited to the healthcare sector. Therefore, it is possible that these two factors could affect the company's growth in the long term, as there are risks concerning the continuity of future sales.
3. The Group's exposure to interest rate risk relates primarily to its deposits with financial institutions short-term and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.
4. Credit risks arise when the counterparties fail to meet their obligations as agreed. The Group does not have any material credit risks because the Group constantly evaluates the debtor's status
5. Foreign currency risk The Group is exposed to foreign currency risk relating to purchases of goods and expenses which are denominated in foreign currencies. Management believes that said foreign currency risk is minimal.

However, the World Health Organization (WHO) predicts a continual growth in the number of cancer patients in Thailand, despite not having enough radiotherapy machines in the country. The company, therefore, believes that there will be a constant demand from the existing clientele, as they continually allocate their budget (both from the state and private sectors) towards buying the company radiotherapy products to fulfill the high demands from patients. The necessity of the radiotherapy machines presents an opportunity for the healthcare sector to consider its investments into these products.

Impact of the Coronavirus Disease 2019 (COVID-19) Outbreak

From the situation of the outbreak of the Coronavirus Disease 2019 ("COVID-19"). The company would like to inform that the current overall operations of the company were partly affected. The company would like to provide additional information as follows;

1. Project installation plan that requires foreign experts at some stage in the installation process. The impact of restriction of international travel resulting in foreign experts to delay the start of the installation in the relevant steps which causes an impact on the time of delivery
2. Importing medical devices or equipment for installation of certain items that must be imported from abroad. The impact of the international shipping system, change of flight in transportation, flight cancellation resulting in medical devices and/or that equipment has the import deadline delay from the specified period which causes an impact on the time of delivery

However, the effect in items 1 and 2 is a force majeure condition that the company can proceed with requesting an extension of the working period under the contract including the reserve the right to refrain from fines to the parties.

3. Impact on interest expenses as in undertaking large projects in each project, the company will mainly use bank funding. Therefore, when the period of delivery is extended. The company will also be affected by the increased interest payments.
4. Sources of funds and liquidity used in operations, the company was not affected by such factors. Moreover, the company has not suffered from bad debt problems. Due to the majority of the company's debtors are government agencies.

Corporate Governance

The company operates its business with responsibility, transparency and fairness within the framework of the code of conduct of the company and on the basis of benefits and happiness in a balanced and sustainable manner. The Board of Directors is a good role model in adhering to the principles of corporate governance and ethics. With the aim of developing the organization to be a model of corporate governance. It is defined in the vision of the company. The belief that corporate governance principles, it will be a management system that will cause fairness, transparency, can generate returns and add long-term value to the shareholders. This includes building confidence to all stakeholders and supporting the competitiveness of the company for sustainable growth.

The Board of Directors is responsible for take care of corporate governance as well. Both policy and practice monitor and supervise the performance of the Board of Directors and management in accordance with the corporate governance policy. As well as review the practices to make them appropriate for business operations and in line with this corporate governance policy practice. Regularly at least once a year as the main agenda in the Board of Directors' meeting.

This Corporate Governance Principle for the Board of Directors as the leader or the person who is most responsible for the organization. Applying to supervision for the business to have good performance in the long term. Trust for shareholders and people around them. For the benefit of creating sustainable business value meet the expectations of the business sector, investors as well as the capital market and society as a whole

“Good Corporate Governance” means corporate governance that is conducive to creating sustainable business values. In addition to creating confidence for investors. The Board of Directors should supervise the business to lead to the result (Governance Outcome) at least as follows:

1. Be able to compete and have good operating results taking into account the long-term impact
2. Conduct business with ethics respect the rights and responsibility to shareholders and stakeholders
3. Benefit to society and develop or reduce the negative impact on the environment.
4. It can be adapted under changing factors.

The Board of Directors encourages the adoption of good corporate governance principles and has been established as a corporate governance policy according to the following guidelines

Principle 1 Recognize the roles and responsibilities of the Board of Directors as corporate leaders that create sustainable values for the business.

Principle 2 Determine the objectives and main goals of the business for sustainability.

Principle 3 Strengthen Effective Board of Directors

Principle 4 Recruiting and developing top executives and personnel management

Principle 5 Promote Innovation and Responsible Business Operations

Principle 6 Ensure that there is an appropriate risk management and internal control system.

Principle 7 Maintain Financial Credibility and Disclosure

Principle 8 Encourage participation and communication with shareholders.

Details of the company's full corporate governance policy disclosed on the Company's website
www.bizalignment.com

[Menu Investor Relations and Submenu Sustainable Development](#)



The remuneration for Directors and Sub-Committees

Nomination and Remuneration Committee will consider according to the remuneration payment criteria. According to the performance and meeting allowances. Taking into account the same industry practices Company performance and business size and responsibility, knowledge, ability and experience of directors and sub-committees. It must also be approved by the shareholders' meeting.

1) Remuneration in Cash

A) Remuneration of Directors

Consider the responsibilities, knowledge, abilities and experiences of the directors. Including considering the business plan of the company and according to the remuneration criteria which consist of monthly remuneration, meeting allowance and other compensation as you see fit. The 2022 Annual General Meeting of Shareholders on April 8, 2022 approved the remuneration of the Board of Directors and Sub-Committee for the year 2022 in the total amount not exceeding 2,000,000 Baht per year as summarized in the table below.

Monthly Remuneration

- | | |
|-------------------------|-------------------|
| • Chairman of the Board | 20,000 Baht/month |
| • Independent Director | 15,000 Baht/month |

Meeting Allowance (per attend the meeting)

Board of Directors

- | | |
|-------------------------|-------------|
| • Chairman of the Board | 15,000 Baht |
| • Board of Directors | 10,000 Baht |
| • Independent Director | 10,000 Baht |

Audit Committee

- | | |
|-------------------------------|-------------|
| • Chairman of Audit Committee | 15,000 Baht |
| • Audit Committee | 10,000 Baht |

Nomination and Remuneration Committee (NRC)

- | | |
|---|-------------|
| • Chairman of NRC | 15,000 Baht |
| • Nomination and Remuneration Committee | 10,000 Baht |

Other benefits: None

B) Remuneration of Executives

To paying the company's remuneration. The objective is to reward the success of the company's strategy. and return the work that the management has created for the company as assigned. The remuneration will be considered as follows:

- Consider the performance. It is in line with the accomplishment of the company's strategic goals.
- Based on the results of each year's performance assessment.
- Competitive In related business This ensures that the company is able to attract and retain good employees who are skilled to work and continue to work for the company.

The company's remuneration pays its through a salary, other welfare benefits such as provident fund, health insurance plan, the annual health check, phone bills, maintenance fees, commissions and benefits are in line with the labor market practices by the law.



Executive Remunerati	Year 2020		Year 2021		Year 2022	
	Amount (of persons)	Total (million Baht)	Amount (of persons)	Total (million Baht)	Amount (of persons)	Total (million Baht)
Salary	4	6.92	5	7.61	5	9.10
Bonus	4	3.03	5	8.85	5	6.18
Other ⁽¹⁾	4	2.66	5	3.21	5	3.17
Total	4	12.61	5	19.67	5	18.45

Notes: ⁽¹⁾ Other forms of executive Remuneration include telephone charges, car maintenance fee, commission, over-time, group health insurance and provident funds

2) Other remunerations - none -

3) Policy and method of remuneration

Criteria for determining remuneration State in the scope of duties and responsibilities of the Nomination and Remuneration Committee.

Nomination and Appointment of Directors and Top Executives

In the selection of a person to be appointed as Directors or Executives of the company, an individual who has been appointed as Director and Executive of the company must be a person who possesses all the qualifications prescribed under Section 68 of the Public Company Act B.E. 2535 (1992) and the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares, dated 15 December 2009, with the following composition and criteria for the nomination:

Composition and Nomintion of the Board of Directors

- The company shall have a Board of Directors to conduct the affairs of the company consisting of at least five (5) Directors. Not less than half of the total number of Directors must be residing in the Kingdom and the Directors of the company must possess the qualifications as prescribed by the law. Directors of the company may or may not be shareholders.
- The shareholders' meeting shall appoint the Directors according to the rules and procedures below.
 - Each shareholder has one (1) share per one (1) vote.
 - Each shareholder shall use all his votes under 2.1 and may elect one or more individuals to be Directors. In case the shareholder selects many candidates to be directors, the total number of votes may not be split unequally among the candidates.
 - The candidates receiving the highest number of votes respectively are elected to the Board of Directors according to the number of Directors needed to be elected at that time. In case the elected candidates with the lowest rank of the highest number of votes receive the same number of votes and exceed the number of Directors needing to be elected at that time, the Chairman of the meeting shall make a final decision by casting a vote.
- At every Annual General Meeting of Shareholders, one-third (1/3) of all the Directors at the time shall retire from their positions. If the number of Directors is not divisible by three, then the number nearest to one third (1/3) shall retire. The retiring Directors may be re-elected to the position again. Directors who are to retire in the first and second years following the registration of the company shall retire by drawing lots. In the subsequent years, the Directors who have been in office the longest shall retire from office.
- Any Director who wishes to resign must submit a letter of resignation to the company. Such resignation shall be effective from the day the letter of resignation arrives at the company.
- The shareholders' meeting may pass a resolution for any Director to leave office prior to the expiration of his term by a vote of at least three-fourths (3/4) of the number of shareholders present having voting rights and holding aggregate shares amounting to not less than half of the number of shares held by shareholders who attend the meeting and have voting rights.

6. In the case a Director's position becomes vacant due to reasons other than retirement by rotation, the Board shall elect a person who possesses the qualifications and does not possess any characteristics prohibited under the laws on Public Companies or the laws governing securities and exchange to be Director in the following Board meeting, except if the former Director had less than two (2) months remaining in his term, in which case the newly elected Director shall remain in office only for the remaining term of the Director he replaces. And the resolution of the Board of Directors pursuant to the above shall be composed of not less than three-fourths (3/4) of the remaining Directors.
7. The Board shall elect one member as Chairman, and the Board may approve of electing one or several Directors to be Vice-Chairmen. Vice Chairmen have duties pursuant to the operational regulations which will be assigned to him by the Chairman.

Composition and Nomination of the Audit Committee.

The Audit Committee shall be appointed by the Board of Directors and approved by the shareholders' meeting and designated as Directors of the company with qualifications according to the Securities and Exchange Law, including notifications, regulations and/or rules as regulated by the Stock Exchange of Thailand. There must be at least three (3) persons in the Audit Committee. Out of the three, at least one (1) person must have knowledge of accounting and finance. The Audit Committee shall hold office for a term of three years from the date of the appointment. At the end of the term, if the Board of Directors or shareholders' meeting has not appointed a new Audit Committee, the retiring Audit Committee may continue to hold office until the Board of Directors or shareholders' meeting appoints the new Committee to replace the Audit Committee whose term is set to expire and/or in accordance with the term of office of Directors. Anyone recruited to the Audit Committee must be an Independent Director and possess the qualifications of an Audit Committee member as follows:

Qualifications of Independent Directors

1. Holds shares – not exceeding 1% of the total shares with voting rights – of the company, the parent company, subsidiaries, associates, major shareholders or controlling parties of the company. In this regard, the shares of related persons of the aforesaid Independent Director shall be counted as well.
2. Is not or has never been an Executive Director, employee, staff, advisor with regular salary, or controlling person of the company, parent company, subsidiaries, associates, same-level subsidiaries, major shareholder or controlling person of the company, unless the foregoing status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission. In this regard, such prohibited characteristics shall not include the case that such an Independent Director has been an official or advisor of a government unit which is a major shareholder or controlling party of the company.
3. Is not an individual who has a relationship by blood or legal registration with the status of father, mother, spouse, brother, sister, and child, including spouse of a daughter or son of an Executive, major shareholder, controlling person or person who is in the process of nomination to be Management or controlling person of the company.
4. Does not have nor used to have a business relationship with the company, the parent company, subsidiaries, associates, major shareholders or controlling parties of the company which may interfere with the independent judgment of said Independent Director, including not being nor has ever been a significant shareholder or controlling person of any party having a business relationship with the company, the parent company, subsidiaries, associates, major shareholders or controlling parties of the company, unless such status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission.
5. Is not or has never been the auditor of the company, parent company, subsidiaries, associates, major shareholders or controlling parties of the company, and is not a significant shareholder, controlling person, or partner of the auditing firm employing the external auditor of the company, parent company, subsidiaries, associates, major shareholders or controlling parties of the company, unless such status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission.
6. Is not or has never been a professional service provider including, but not limited to, legal service or financial advisor and receiving a service fee exceeding 2 million Baht per year from the company, parent company, subsidiaries, associates, major shareholders or controlling parties and is not a significant shareholder, controlling person, or partner of a firm providing such professional services, unless the foregoing status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission.
7. Is not a Director who has been appointed to be the representative of the Directors of the company, the major shareholders, or any other shareholder who is a related person connected to any major shareholder.

8. Does not operate the same or a significantly competitive business with the business of the company or subsidiaries, is not a significant partner in a partnership, neither is an Executive, employee, staff or advisor receiving regular salary, nor holds shares in the amount exceeding 1% of the total shares with voting rights of any other company which operates the same and significantly competitive business with the business of the company.
9. Does not having any characteristics which may hinder the ability to provide an independent opinion about the company's operations.
10. Independent Directors with such qualifications may be assigned by the Board of Directors to make decisions on the business operations of the company, parent company, subsidiaries, associates, same-level subsidiaries, major shareholders or controlling parties in the form of a collective decision.

Qualifications of Audit Committee Members

1. The Committee members must not be Directors who are assigned or authorized by the Board to be able to make decisions concerning the operations of the company, parent company, subsidiaries, associates, same-level subsidiaries or major shareholders.
2. The Committee members must not be Directors of any parent company, subsidiaries or same-level subsidiaries, which are listed companies.
3. The Committee members must possess sufficient knowledge and experience to serve as Audit Committee. At least one member of the Committee must have sufficient knowledge and experience to review the credibility of financial statements.
4. The Committee members perform the same duties as set forth in the Notification of the Stock Exchange of Thailand on the qualifications and scope of operation of the Audit Committee.

Composition and Nomination of Executive Committee

The Executive Committee must be Directors and/or Management of the company and/or employees and/or suitable individuals who are appointed by the Board of Directors, the number of which the Board deems appropriate. Accordingly, the Board of Directors will appoint an Executive Director as Chairman of the Executive Committee.

Composition and Nomination of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be appointed by the Board of Directors. The Committee is composed of at least three (3) persons and should consist mainly of Independent Directors and/or Non-Executive Directors. In this case, one member of the Nomination and Remuneration Committee shall be appointed as Chairman of the Nomination and Remuneration Committee.

Composition and Nomination of the Risk Management Sub-Committee

The Risk Management Sub-Committee must be Directors and/or Executives of the company and/or employees and/or suitable individuals who were appointed by the Board of Directors, the number of which the Board deems appropriate. Accordingly, the Board of Directors shall appoint a member of the Risk Management Sub-Committee to be the Chairman of the Risk Management Sub-Committee.

Composition and Nomination of the Chief Executive Officer

The Chief Executive Officer shall be nominated by the Executive Committee by selecting among current members of the Executive Committee or recruiting from the qualified person who through preliminary screening from the Nomination and Remuneration Committee as qualification listed in the succession plan in order to present to the Board of Directors in order that the nominated candidate may be appointed as the Chief Executive Officer.

Self-Assessment of the Board

The Board of Directors will evaluate self-assessment on an annual basis. The Board of Directors should jointly consider the performance and problems for improvement and increase the effectiveness of the performance of the directors.

- 1) Individual Evaluation Form (Self-assessment)
- 2) Evaluation Form for the entire Board
- 3) Evaluation Form for Sub-Committee Performance (Audit Committee and the Nomination and Remuneration Committee)



Rules and procedures for evaluate of the Board of Directors.

There are 6 main topics: 1) Structure and qualifications of the Board. 2) Roles and Responsibilities of the Board 3) Board Meetings 4) Duties of Directors 5) Relationships with Management 6) Self-Improvement Director's and Executive Development. The scoring method is 5 levels (0-4). (Should improve) until very agree (excellent) The evaluation process is the company secretary prepare assessment forms for the Board to conduct annual assessments. Then was collected, summary and provide guidance on improving performance. After that report to the Board for acknowledge.

The results of the evaluation in 2022 are in good and excellent level.

3 = Agreed or have a good deal on it.

4 = Very agreed or have done so well.

Performance Evaluation	Average Result (%)*
Evaluation Form for the entire Board	98.80
Evaluation Form for the Audit Committee	98.96
Evaluation Form for the Nomination and Remuneration Committee	98.30
Individual Evaluation Form	97.22

*100% rating means the evaluation of the performance of that committee. Have a rating of 4 full (excellent) and all.

Additional opinion/remark from the self-assessment is the level of % average scores in all evaluation results were higher than the results of the previous year. Overall average increased by 1.76%

Development of Directors and Executives

The Board of Directors requires a new director orientation. To ensure that directors have a good understanding of the company's business and related regulations. In addition, the Board of Directors has the policy to encourage all directors, top executive including company secretary continued training on corporate governance. This is due to internal training and other external institutions such as the Stock Exchange of Thailand, The Office of the Securities and Exchange Commission (SEC) or Thai Institute of Directors (IOD)

In the year 2022, the company has directors and company secretary attend training and develop additional knowledge in the following courses;

Name	Position	Training courses and continuous knowledge development
1. Mr. Woodtipong Mooleecharad	Chairman of the Board Independent Director	• Advanced Audit Committee Program (AACP) 44/2022
2. Mr. Sompong Chunekitayanone	Director Executive Chairman Nomination and Remuneration Committee Risk management Sub-Committee Chief Executive Officer	• Government Finance and Fiscal Management Program for Senior Executives, Class 9
3. Mr. Voravid Silapusid	Director Executive Committee Nomination and Remuneration Committee Risk management Sub-Committee Chief Financial Officer Human Recourses Manager (Acting)	• Analytic and foreign exchange risk management • CFO challenges with financial reporting in economic volatility



Name	Position	Training courses and continuous knowledge development
4. Ms. Srisunun Anuchornphan	Executive Committee Chief Administrative Officer Company Secretary	• IR in Action Course, Class 1

Succession Plan

The Nomination and Remuneration Committee is responsible for reviewing policies and criteria for selection of top executives and/or specialists. The succession policy in the case of emergency or retirement of top executives and/or specialists has transparent process. It is based on knowledge and ability including experience and ethics. Proposed to the Board of Directors for further appointment.

Orientation for the Board

For Directors, the company provides basic information about the company, including organizational structure and management, main products, rules, regulations and the related laws, including the regulations of the office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, are applicable to new directors. To allow the directors to understand the operation of the company. It also acknowledges the roles and responsibilities of being a director or an independent director. The company will send new directors to attend the training course and receive a certificate of foundation course on corporate governance development guidelines for directors.

Meetings between non-executive directors

The company has convened non-executive directors' meetings and/or with the auditor as appropriate To provide opportunities for non-executive directors to discuss issues that arise in the company and suggestion issues that should be implemented in the company once a year (in the past year, the meeting was held in November)

Information Technology Security Policy

Board of Directors has always been aware of the importance of information technology security and has adopted the security standards of information technology systems within the company and supervising the directors, executives, employees as well as related third parties comply with the rules. This standard sets various guidelines related to information technology systems of the company that meet international standards such as encryption to prevent access to management information, username and password, certification and approving the entry/exit of the network security system, connection security and back up importance information of the company etc. Along with an information security system to safeguard against unauthorised access to information, measures to maintain the integrity of relevant data and ensure availability of critical data.

Overseeing Operations of Subsidiaries and Associates

Board of Directors give priority and provide mechanisms to supervise operations that can control and manage the operations of the subsidiaries and associated companies. In order to safeguard the interests of the company's investments, such as considering sending persons to represent the company to be directors, executives or controlling persons in subsidiaries and associates. At least in proportion to the shareholding. By a person appointed as a director in a subsidiary or associated company who has the duty to perform for the best benefit of that subsidiary or associated company.

In the case of a subsidiary, the company has established an appropriate and concise internal control system Including other mechanisms for overseeing such subsidiaries, such as the mechanism to supervise the disclosure of financial status and results of operations, transactions between subsidiaries and connected persons, acquisition or disposition of assets or other important transactions. To be complete, accurate Including the supervision of data storage and accounting records of subsidiaries for the company to be able to verify and gathered to prepare the consolidated financial statements on time.

Anti-corruption measures

The company has stipulated guidelines for Directors, Management and staff that they shall neither claim, nor receive money nor benefits nor items which are inappropriate, dishonest or unsuitable from individuals involved in the affairs of the company. They shall neither claim, nor receive money nor benefits nor items from any person or juristic person they do business with, whether directly or indirectly, neither in order to give an advantage in exchange of privileges nor to benefit the business operations of the company. The company has provided training, knowledge and communication to employees. About anti-corruption policies and practices and for new employee orientation and for employees at all levels to access the policy and communicate through supervisors, including through the company's internal newsletter of the month.

The company is a distributor of medical equipment imported from abroad, with emphasis mainly on imports from the United States. The United States Foreign Corrupt Practices Act is an international anti-corruption legislation to incriminate any US firm trading with foreign companies that have engaged in bribery of state authorities. (The U.S. Department of Justice defines "corporate citizenship within the United States" to include those "directors, officers, employees, agents, distributors and shareholders working for the benefit of a company with the corporate citizenship within the United States.") Thus, the company is very conscientious of anti-corruption in order to maintain good relationships to corporate partners and strengthen the company's business in the long run, and company will not undertake to bribe public officials under any circumstance.

Code of Conduct

The Board of Directors encourages business ethics for directors, executives and employees. It is a burden and responsibility including also promotes the practice and monitoring of the practice. To the maximum benefit to the stakeholders of the company. It also creates credibility in the business that will make the company grow sustainably. (The detail shown at the company's website www.bizalignment.com Investor Relations menu and then Sustainable Development)

Important Changes and Developments of the policy, practice, and corporate governance system in the past year

In the year 2022, the Board of Directors has reviewed policies, practices, corporate governance systems. Including the Charter of the Board of Directors and sub-committees. The topics that have been updated in the past year are still focusing on pushing for practice to see concrete results summarized as

- Providing guidelines for action on sustainability emphasis is placed on promoting the use of innovation and technology to build competitiveness as well as responding to the needs of stakeholders. It remains on the basis of social and environmental responsibilities such as designing and/or managing various contract work with regard to patients, customers, stakeholders. directly related to the effects of color, sound, smell, any exposure from the construction and/or install the company's medical equipment to a minimum.

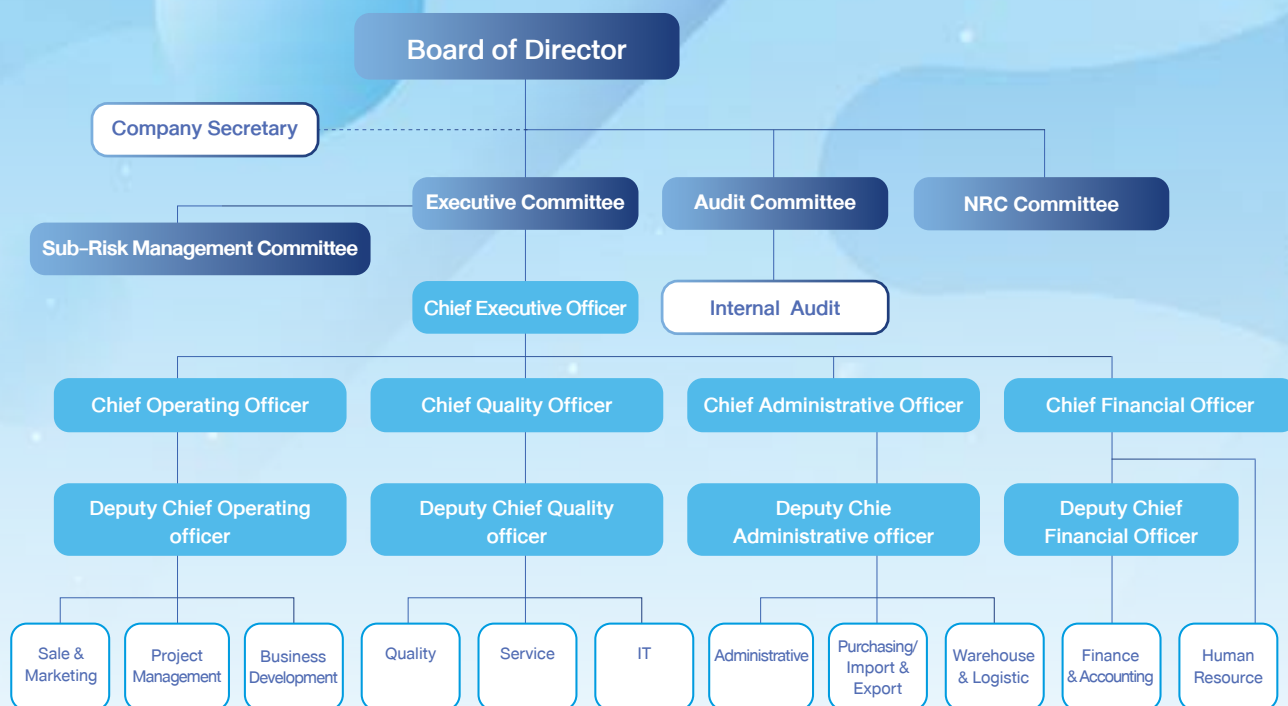
For the part that has not been done. For example, the Board of Directors has set a policy of limiting the number of years for independent directors to no more than 9 years. The company is confident that all independent directors are knowledgeable and capable experience that is beneficial to the business of the company better. For other point, the company have not established a corporate governance committee. To oversee business operations of the company to be transparent. According to the corporate governance principles. Because of such a duty. The Board of Directors is still closely monitoring and supervising the matter. Therefore, the establishment of such committees is not considered at the present.

The company received the award in compliance with the principles of corporate governance for the year 2022.

1. The company received **100 points from the assessment of the 2022 Annual General Meeting of Shareholders**, assessed by the Thai Investors Association.
2. The company received scores in the **"Excellent" level of compliance with the corporate governance principles of listed companies**. Assessed by the Thai Institute of Directors Association with the support of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, which scores a very good level is scores in the range of 90-100 percent.



Corporate governance structure



: as of 31 December 2022

Note: The internal audit of the company is outsourced by appointing the Honor Audit and Advisory Co., Ltd. to perform the said duties.

From the corporate governance structure as of December 31, 2022, the chief executive officer position is the position “Chief Executive Officer”.

At present, the company has not appointed a corporate governance committee. Since the Board of Directors involve formulating regulatory policies and supervise corporate governance, supervise, review and monitor performance of governance as well.

For executive positions according to the definition announced by the Capital Market Supervisory Board (Section 89/1) as follows:

- | | | | |
|----|---------------|-----------------|----------------------------------|
| 1. | Mr. Sompong | Chunekitayanone | Chief Operating Officer (Acting) |
| 2. | Mr. Voravid | Silapusid | Chief Financial Officer |
| 3. | Mr. Noppadol | Suntanaphanich | Chief Quality Officer |
| 4. | Ms. Srisunun | Anuchornphan | Chief Administrative Officer |
| 5. | Ms. Sukanlaya | Khamnuan | Deputy Chief Financial Officer |

Board of Directors

As of December 31, 2022, the company has 7 Board of Directors consisting of 3 members from management, Non-Executive Directors 4 members, with 4 persons having independent qualifications, which is more than 1 in total 3 of the total number of directors. Therefore, it is considered a proper balance of the Executive Directors. The Chairman of the Board of Directors is not the same person as the Chief Executive Officer and there is no blood or business relationship between each other.

	Name	Position
1.	Mr. Woodtipong Moleechad	Chairman of the Board/Independent Director
2.	Ms. Srirat Chuchottaworn	Director/Chairman of the Audit Committee/Independent Director
3.	Mr. Vipoota Trakulhoon	Director/Audit Committee/Independent Director
4.	Mr. Thanawat Lertwattanarak	Director/Audit Committee/Independent Director
5.	Mr. Sompong Chunekitiyanone	Director
6.	Mr. Voravid Silapusid	Director
7.	Mr. Noppadol Suntanaphanich	Director

Company Secretary:

Ms. Srisunun Anuchornphan

Names of directors who are authorized signatories of the company:

Mr. Sompong Chunekitiyanone, Mr. Voravid Silapusid and Mr. Noppadol Suntanaphanich – Any two signatures of the three directors with company's seal shall bind the company.

Scope of Duties and Responsibilities of the Board of Directors

1. The Board of Directors must perform its duties with responsibility, carefulness and integrity as well as in compliance with the laws, company objectives, the Articles of Association and resolutions of the shareholders.
2. The Board of Directors may consider for appointment a person who possesses the qualifications and does not possess any characteristics prohibited under the Public Company Act of B.E. 2535 (1992) and the laws governing SEC and SET and any notifications, regulations and/or rules relevant to the position of Director, in case a vacancy is created due to a cause other than retirement by rotation of directors.
3. The Board of Directors may consider and appoint Executive Directors chosen from the directors of the company as well as specify the scope of power, duties and responsibilities of directors.
4. The Board of Directors may consider and appoint Independent Directors and Audit Committee members based on the qualifications and prohibited characteristics under the laws governing SEC and SET, including relevant rules, regulations and/or notifications from the Stock Exchange of Thailand (SET) or they may also propose members of the company to the shareholders' meeting for appointment as Independent Directors or appointment to the Audit Committee.
5. The Board of Directors may consider, specify and amend the list of directors with the power to authorize in the company.
6. The Board of Directors may appoint any person as their proxy to operate the company under the control of the Board or may grant said person with power to act on its behalf and/or during a specific period of time as deemed appropriate by the Board. The Board of Directors may revoke, cancel, change or amend the proxy whenever it deems appropriate.
7. The Board of Directors may approve transactions of acquisition or disposition of assets, unless the aforesaid transactions are required to be subject to approval at a shareholders' meeting. In either case, approval shall be in compliance with the relevant notifications, regulations and/or rules of the SET.
8. The Board of Directors may approve related transactions, unless the aforesaid transactions are required to be subject to approval at a shareholders' meeting. In either case, such approval shall be in compliance with the relevant notifications, regulations and/or rules of the SET.
9. The Board of Directors may approve the payment of interim dividends to shareholders in the event that the company has made sufficient profits to do so. Such payments may be reported at the following shareholders' meeting.



10. The Board of Directors shall determine the company's vision, policy and operational direction, business strategies and annual budget and supervise management to ensure compliance with the policy efficiently and effectively so as to provide maximum economic value for shareholders as well as sustainable growth.
11. The Board of Directors shall be responsible for business profits and performance of the management, with attention and care throughout all of its operations.
12. The Board of Directors must ensure that management employs appropriate and effective risk management systems.
13. The Board of Directors shall establish clear and measurable targets for business operation to be adopted as guidelines in setting the company's performance goals, taking into account their feasibility and reasonability.
14. The Board of Directors shall be consistently accountable to shareholders and operate by protecting the interests of shareholders, disclosing information that is material to investors correctly and completely with adherence to high standards and transparency.
15. The Board of Directors may consider and decide on significant matters such as policies and business plans for large investment projects, with authority to manage the acquisition or disposition of assets and any other items specified by the law.
16. The Board of Directors shall determine the power and level of approval for transactions and various tasks related to the company's operation by any committee or person as appropriate and in compliance with related legal requirements, the policies of which are to be formulated into an operation manual which must be reviewed at least one (1) time per year.
17. The Board of Directors shall provide an accounting system, financial reporting and reliable auditing and must also ensure to provide a procedure for assessing internal controls.
18. The Board of Directors shall approve the proposed appointment of the auditor and consider the yearly audit fee, which shall be presented to shareholders for their approval.
19. The Board of Directors shall report on its responsibilities in preparing the financial statements by presenting the statements together with audit results in the annual report, covering all key issues in accordance with the designated policy guidelines for directors of listed companies in the Stock Exchange of Thailand.
20. The Board of Directors shall supervise the performance of various sub-committees in accordance with any specified charters.
21. The Board of Directors must personally evaluate results of its own operations and also evaluate its overall performance results.

Scope of Duties and Responsibilities of the Chairman of the Board

1. Chairman of the Board has the duty to call a meeting of the Board of Directors and Shareholders' Meeting. Also has a role in setting the agenda with the Chief Executive Officer.
2. Control the meeting effectively. Provide enough time for the management to present the information. Support and allow the directors to freely ask questions and express their opinions and the resolution of the meeting.
3. As an important role in promoting the Board of Directors. To comply with good corporate governance principles. Ensure that all directors contribute to the company's ethical culture and good corporate governance.
4. Communicate important information to the Board of Directors.
5. Oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the company's objectives.
6. Set the board meeting agenda by discussing with the chief executive officer which important matters should be included.
7. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.

Term of Office of the Directors

The Board of Directors is responsible for managing the business operations of the company. The directors' term of office has been appointed in accordance with the regulations of the company, which is that at the Annual General Meeting of Shareholders one-third (1/3) of those who are directors at the time are to retire. If the number of directors at the time is not divisible by three, then the number nearest to one third (1/3) of the directors shall retire from office. Retired directors may be chosen to return to their position again.

However, any action taken to grant powers, duties and responsibilities to the Board of Directors shall not result in empowering or granting any power of attorney which may authorize the Board of Directors or a grantee to approve transactions in which s/he or any other person may have a conflict of interest (as defined in SEC and SET notifications) with the company or its subsidiaries.



The Company’s sub-committees are as follows:

1. The Audit Committee
2. Nomination and Remuneration Committee
3. Executive Committee
4. The Risk Management Sub-Committee

Audit Committee

Board of Directors has approved the establishment of the Audit Committee who are three (3) Independent Directors possess all the qualifications as stipulated by the Office of the Securities and Exchange Commission (SEC), as follows:

	Name		Position
1.	Ms. Srirat	Chuchottaworn	Chairman of Audit Committee/Independent Director
2.	Mr. Vipoota	Trakulhoon*	Audit Committee/Independent Director
3.	Mr. Thanawat	Lertwattanarak	Audit Committee/Independent Director

: as of 31 December 2022

Note: *Audit Committee member with knowledge and experience in verifying the credibility of the financial statements.

Scope of Duties and Responsibilities of the Audit Committee

1. The Audit Committee shall review financial reports to ensure that they are accurate and reliable and provide adequate disclosure by coordinating with the external auditors and the Executive(s) responsible for preparing the quarterly and annual financial reports.
2. The Audit Committee shall review the appropriateness of the company’s Internal Controls and Internal Audit policies to ensure that they are suitable and effective. The Committee shall also verify the independence of the Internal Audit as well as approve the appointment, transfer and dismissal of the head of the Internal Audit agency or any other agency responsible for the Internal Audit. The Audit Committee may suggest a review or inspect any items that it deems important or necessary along with providing suggestions on how to improve the essential, mandatory system of internal controls to the Board of Directors by reviewing and comparing notes with the External Auditor and the Internal Systems Audit Manager.
3. The Audit Committee shall verify the implementation Securities and Stock Exchange laws or regulations of the SET, and policies, rules or regulations and other laws relating to the company’s business.
4. The Audit Committee shall appoint, reappoint or dismiss/removal by considering the independence of the auditor, knowledge, ability, experience, past audit work and make a proposal for the remuneration of the company auditor to the Board of Directors. In addition, the Audit Committee shall meet with the auditor independently of the company Management at least one time per year.
5. The Audit Committee shall review the Company’s internal audit plan according to generally accepted procedures and standards.
6. The Audit Committee shall review related transactions or transactions that may have conflicts of interests to ensure that they are in compliance with the laws and regulations of the SET as well as verify that the correlating disclosure of information is accurate and complete, to ensure that any such transactions are conducted appropriately and in the best interests of the company.
7. The Audit Committee shall verify that the company’s risk management systems are appropriate and effective.
8. The Audit Committee shall conduct a self-report on the performance of the Audit Committee to the Board of Directors at least four (4) times a year. (Quarterly)
9. The Audit Committee shall prepare a report of the Audit Committee which shall be disclosed in the annual report of the company. The report must be signed by the Chairman of the Audit Committee and must contain the following information at minimum:
 - 9.1 An opinion on the accuracy, completeness and reliability of the financial statements of the company and an opinion on the adequacy of the company’s Internal Controls.
 - 9.2 An opinion on the company’s compliance with Securities and Exchange laws and SET regulations or laws which relate to the company’s business.
 - 9.3 An opinion on the suitability of the auditor.



- 9.4 An opinion on related transactions or transactions that may have conflicts of interest.
- 9.5 The number of meetings held by the Audit Committee and attendance records of each member of the Audit Committee.
- 9.6 Opinions or overall observation on the Audit Committee's performance of its duties as stipulated in the committee Charter.
- 9.7 Other matters that shareholders and investors should be informed of which pertain to their scope of duties and responsibilities as assigned by the Board of Directors.
10. The Audit Committee shall contribute their opinion whenever the company evaluates the appointment, dismissal or performance of Internal Audit officials.
11. Within its scope of duties and as part of its performance, the Audit Committee is authorized to invite any related persons from the Management, Executives, or company employees to comment, attend meetings or submit those documents which are deemed relevant or necessary.
12. The Audit Committee is authorized to hire a consultant or a third party, in accordance with company regulations, to comment or offer advice if necessary.
13. The Audit Committee shall evaluate its performance by making a self-assessment and submitting assessment reports – noting any problems and obstacles encountered which could have caused its operation to fall short of the intended objective with which the Audit Committee was established – to the Board of Directors every year.
14. The Audit Committee shall consider, review and update the Charter of the Audit Committee.
15. The Audit Committee shall perform other duties as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

Term of Office of the Audit Committee

Term of office of the Audit Committee is 3 years from the date of the resolution. At the end of the term, if the Board of Directors or the shareholders' meeting has not yet passed a resolution to appoint a new audit committee. The original audit committee shall continue to perform its duties until the Board of Directors or the shareholders' meeting has appointed the new audit committee in place of the previous one and/or the term of office of the company's director. The new audit committee must be independent directors and qualified as audit committees.

Nomination and Remuneration Committee

The Board of Directors has approved the appointment of 5 members of the Nomination and Remuneration Committee, consisting of 3 independent directors or 60% of the Nomination and Remuneration Committee. as follows;

	Name		Position
1.	Mr. Vipoota	Trakulhoon	Chairman of the Nomination and Remuneration Committee/ Independent Director
2.	Ms. Srirat	Chuchottaworn	Nomination and Remuneration Committee/Independent Director
3.	Mr. Thanawat	Lertwattanak	Nomination and Remuneration Committee/Independent Director
4.	Mr. Sompong	Chunekitiyanone	Nomination and Remuneration Committee
5.	Mr. Voravid	Silapusid	Nomination and Remuneration Committee

: as of 31 December 2022

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

Recruitment

1. The Nomination and Remuneration Committee shall determine the method of recruitment for Directors who are suitable to the company's line of business and organizational operations by specifying the Directors' required characteristics and desired areas of expertise. It also takes into accountability of Board Diversity and Board Skills Matrix for consideration.
2. The Nomination and Remuneration Committee shall recruit Directors on the occasion when Directors must be nominated for consideration by the Board. The selection may also come from Directors who are already holding the position to continue to do so, individuals nominated by shareholders, recruitment by an outside company, individuals from a directory of professional directors or allowing each Director to nominate a suitable individual, for example.



3. The Nomination and Remuneration Committee shall review the list of individuals who have been nominated and select the qualified person in accordance with the qualifications specified.
4. The Nomination and Remuneration Committee shall ensure that the person to be nominated is qualified according to the laws and regulations of the relevant authorities.
5. The Nomination and Remuneration Committee shall approach individuals who are qualified in accordance with the criteria defined in order to ensure that such individuals are willing to accept the position of Director of the company if appointed by shareholders.
6. The Nomination and Remuneration Committee shall nominate individuals for consideration by the Board and include their names in the written invitation to the shareholders' meeting for the approval of the shareholders' meeting.
7. The Nomination and Remuneration Committee shall approve the appointment of Senior Management at the Executive Vice President level and above as assigned by the Board of Directors.
8. Review the succession plan of the Chief Executive Officer. Then will also recruit qualified candidates for recruitment and propose to the Board of Directors for appointment in case vacant position.

Remuneration

1. The Committee must consider the suitable criteria for determining the remuneration of Directors and Sub-Committee by evaluating the appropriateness of the criteria currently in use, and compare it with the remuneration used by other companies in the same industry as the company. The Nomination and Remuneration Committee shall establish suitable criteria to contribute to the expected performance which are fair and properly compensate the individuals who help the company's operation to succeed.
2. The Committee must review all forms of remuneration, such as the fixed remuneration, performance-based remuneration and attendance fees, by taking into account the practices used in the industry, business profits and the size of the company's business as well as the responsibilities, knowledge, skills and experience of the Directors and Sub-Committee as desired by the company.
3. The Committee must consider the criteria for appraising the performance of top executive management as delegated by the Board of Directors.
4. The Committee must determine the annual remuneration of Directors and Sub-Committee according to proposed guidelines of remuneration and present it to the Board of Directors to approve the remuneration of the Directors, the Chief Executive Officer, the Group Executive Directors and Senior Management. As for the remuneration of Directors, the Board of Directors shall propose it to the shareholders' meeting for approval.
5. The Committee must consider the appropriateness and give approval in the event of a new employee stock option plan for Directors and employees, while adhering to principles that are fair to the shareholders and motivating to Directors, executive and employees in their performance, resulting in greater value for shareholders in the long term and positively maintaining qualified personnel.

Apart from the composition of the board, The Nomination and Remuneration Committee may also consider the Board Diversity, such as directors from various stakeholder groups, education, experience, age, sex etc. However, if the company has a new business strategy in addition to the existing business. The Nomination and Remuneration Committee may add additional qualifications and experience to the new business that the company will expand.

Executive Committee

The Board of Directors has approved the appointment Executive Committee consisted of five (5) members as follows:

	Name		Position
1.	Mr. Sompong	Chunekitayanone	Executive Chairman
2.	Mr. Voravid	Silapusid	Executive Committee
3.	Mr. Noppadol	Suntanaphanich	Executive Committee
4.	Ms. Sukanlaya	Khamnuan	Executive Committee
5.	Ms. Srisunun	Anuchornphan	Executive Committee

: as of 31 December 2022



Scope of Duties and Responsibilities of the Executive Committee

1. The Executive Committee shall provide oversight on the management of the company to ensure that it adheres to policies set by the Board of Directors and must report business operation results to the Board of Directors.
2. The Executive Committee shall define the scope of power and level of authorization for each individual, and provide for the separation of duties that when combined could easily lend themselves to fraud, and define the appropriate steps and any due process that must be observed when performing business transactions with major shareholders, Directors, Executives or other related persons in order to prevent any inappropriate transferrance of benefits. These rules and requirements must be presented to the Board of Directors for approval. The Executive Committee must also ensure that all ensuing actions and practices are in compliance with those rules and requirements which have already been approved.
3. The Executive Committee shall evaluate the annual budget and budget spending process and present their conclusions to the Board of Directors. It shall also provide oversight to the company's spendings to ensure compliance with budgets that have already been approved by the Board of Directors.
4. The Executive Committee shall evaluate and improve the company's business plan as is suitable for the benefit of the company.
5. The Executive Committee shall evaluate and approve investments and set investment budgets according to its authority as prescribed in the operations manual.
6. The Executive Committee shall evaluate contracts that are binding on the company according to its authority as prescribed in the operations manual.
7. The Executive Committee shall be responsible to adequately provide significant information pertaining to the company in order to facilitate informed decisions by the Board of Directors and shareholders, including the preparation of reliable financial reporting according to good and transparent standards.
8. The Executive Committee shall evaluate the profits and losses of the company and propose the year's annual dividend payments to the Board of Directors.
9. The Executive Committee shall evaluate new business operations or the closing of a business operation in order to present its conclusions to the Board of Directors.
10. The Executive Committee shall supervise the provision of procedures for workers to report any incidents, misconduct or wrongdoing promptly to the Executive Committee. In the case that such incidents have significant repercussions, the Board of Directors must be informed in order that the matter may be corrected in the most timely manner.
11. The Executive Committee shall take any action to support the implementation of the above or the opinion of the Board of Directors or as authorized by the Board of Directors.
12. Any action proposed to the Executive Committee on any matter which has been voted on and/or approved by the Executive Committee shall be reported significant information to the Board of Directors for acknowledgement at the following meeting of the Board of Directors.

However, the assignment of powers, duties and responsibilities to the Executive Committee as stated above does not include granting power and/or sub-granting power to a grantee to approve transactions in which the Executive or the grantee or any person who may have conflicts of interest (as defined in the Notification of the Capital Market Supervisory Board), may be stakeholders, have a vested interest, or receive benefits in conflict with the interests of the company. The approval of such transactions must be submitted to the Board of Directors and/or the shareholders' meeting (depending on the situation) for approval in accordance with the Articles of Association or related laws.

The Risk Management Sub-Committee

As of December 31, 2022, the company's Risk Management Sub-Committee consisted of eight (8) members as follows:

	Name		Position
1.	Mr. Sompong	Chunekitiyanone	Chairman of Risk Management Sub-Committee
2.	Mr. Voravid	Silapusid	Risk Management Sub-Committee
3.	Mr. Noppadol	Suntanaphanich	Risk Management Sub-Committee
4.	Ms. Sukanlaya	Khamnuan	Risk Management Sub-Committee
5.	Mr. Wutthichai	Boonrat	Risk Management Sub-Committee
6.	Ms. Siwaporn	Imsamran	Risk Management Sub-Committee
7.	Ms. Anchasa	Sangsrichan	Risk Management Sub-Committee
8.	Ms. Srisunun	Anuchornphan	Risk Management Sub-Committee/Secretary

: as of 31 December 2022



Scope of Duties and Responsibilities of the Risk Management Sub-Committee

1. The Risk Management Sub-Committee shall determine the policy and structure of the company's risk management system to be presented to the Board of Directors in compliance with the guidelines for risk management from the Stock Exchange of Thailand and the Institute of Internal Auditors of Thailand.
2. The Risk Management Sub-Committee shall set up strategies in accordance with the risk management policy in order to evaluate, monitor and control each type of risk to remain within acceptable risk parameters for the firm, through involving various agencies in risk management and risk control.
3. The Risk Management Sub-Committee shall assess risks at the organizational level and determine how to manage those risks to remain within acceptable risk parameters for the firm, as well as supervise the management of risk through methods as prescribed.
4. The Risk Management Sub-Committee shall review the current policy of risk management and improve its efficiency and effectiveness in order to provide adequate risk control.
5. The Risk Management Sub-Committee shall have the authority to call any related persons to clarify or to appoint and define the role of staff at every level to be responsible for risk management as appropriate and to report to the Risk Management Sub-Committee for risk management purposes.
6. The Risk Management Sub-Committee shall report the risk management outcome to the Executive Committee and Audit Committee for presentation to the Board of Directors on at least twice a year.
7. The Risk Management Sub-Committee shall prepare a risk management manual.
8. The Risk Management Sub-Committee shall identify risk areas and to analyze and evaluate the risk potential, including trends which affect the company.
9. The Risk Management Sub-Committee shall set up a plan to prevent or reduce risk.
10. The Risk Management Sub-Committee shall evaluate and produce a risk management report.
11. The Risk Management Sub-Committee shall set up an integrated risk management system by linking it with existing information systems.
12. The Risk Management Sub-Committee shall perform other duties as the Board deems appropriate.

Management information

As of December 31, 2022, the company has 5 executives as follows:

	Name	Position
1.	Mr. Sompong Chunekitayanone	Chief Executive Officer Chief Operating Officer (Acting)
2.	Mr. Voravid Silapusid	Chief Financial Officer Human Resource Manager (Acting)
3.	Mr. Noppadol Suntanaphanich	Chief Quality Officer
4.	Ms. Srisunun Anuchornphan	Chief Administrative Officer
5.	Ms. Sukanlaya Khamnuan	Deputy Chief Financial Officer

Scope of Duties and Responsibilities of the Chief Executive Officer

1. To control the business operations, determine strategic operational planning, and manage the daily administration of the company.
2. To decide on important matters of the company, determine company mission, objectives and company policies as well as control the administration in various lines of operation.
3. To have the authority to direct, contact, command as well as sign contracts, written executive orders and notices as specified in the operation manual.
4. To have the authority to hire, appoint and transfer personnel as appropriate as well as determine the scope of authority, responsibility and reasonable remuneration for said personnel, and to have the authority to dismiss and lay off the staff at various levels as appropriate, as specified in the operation manual.
5. To have the authority to determine the terms of trade for the benefit of the company.
6. To consider investments in new businesses or termination of businesses in order to present to the Executive Committee and/or Directors.
7. To approve and appoint consultants for various aspects as necessary for company operations.
8. To perform any duties as assigned by the Executive Committee and/or Directors.



However, along with the assignment of power, duties and responsibilities of the Chief Executive Officer as stated above, the CEO must comply with the requirements and agenda that has been approved by the Board of Directors which does not include granting power and/or sub-granting power to a grantee to approve transactions in which the CEO or the grantee or any person who may have conflicts of interest (as defined in the Notification of the Capital Market Supervisory Board), may be stakeholders, have a vested interest, or receive benefits in conflict with the interests of the company. The approval of such transactions must be submitted to the Board of Directors and/or the shareholders' meeting (dependant to circumstance) for approval in accordance with the Articles of Association or related laws.

Information about employees

Number of employees (excluding Executives)

As of December 31, in each year, the company had the following number of employees:

Number of Employees	Year 2020	Year 2021	Year 2022
Finance and Accounting	3	4	4
Sales and Marketing	6	8	6
Quality and Service	5	5	6
Business Development	1	2	2
General Administration	3	1	2
Project Management	4	3	2
Company Secretary	1	1	1
Total (person)	23	24	23

Total Compensation of Staff, Company Employees and Types of Compensation

(Unit: million Baht)

Type of Compensation	Year 2020	Year 2021	Year 2022
Compensation of employees in the form of salary, bonus, overtime, commission, social security, provident funds, welfare etc.	21.49	32.35	25.53

Other important information

Accounting Supervisor: (Ms. Sukanlaya Khumnuan) Effective date December 23, 2015

The person assigned to take direct responsibility for accounting supervision. To have accounting Financial reports are accurate, complete, legal and truthful and have quality reports and delivered to the relevant departments as schedule. There is also a training course to develop knowledge in accounting in accordance with the criteria specified in the announcement of the Department of Business Development. (Details appear in the attachment)

Company Secretary (Ms. Srisunun Anuchornphan) Effective date January 1, 2017

As per the provisions of Article 89/15 The Securities and Exchange Act (No. 4) BE 2551, the Board of Directors must provide a Company Secretary who shall assume responsibilities on behalf of the Company or its Board of Directors. The Board of Directors' Meeting on December 23, 2016 has appointed Ms. Srisunun Anuchornphan as the Company Secretary, effective January 1, 2017, with the following roles, duties and responsibilities being applicable to the Company Secretary.

1. To prepare and maintain the following documents:
 - 1.1 The Register of Directors
 - 1.2 Notice of the Board of Director's Meeting, minutes of the Board of Director's Meeting, and the Company Annual Report;
 - 1.3 Notice of the Shareholders' Meeting and minutes of the Shareholders' Meeting.
2. To maintain reports on stake holding submitted by the Directors or Management and send a copy of the report to the Chairman of the Board and Chairman of the Audit Committee within seven business days from the date the company received the report.
3. To prepare a system for the preservation of documents and evidence related to the disclosure of below information as well as to ensure the complete and verifiable preservation of such documents or evidence for a period of not less than five (5) years from the date the documents or information were created. The preservation of such documents and evidence of the above shall include storage in a computer system or any other system that allows them to be retrieved and viewed without modification of the content.
 - 3.1 Information pertaining to the resolutions of the Shareholder's Meeting.
 - 3.2 Financial statements and reports on the financial position and operating results of the company or any other reports required to be disclosed according to Section 56, Section 57, Section 58 or Section 199 of the Securities and Exchange Act.
 - 3.3 The opinion of the company towards offers tendered for the shares of the company by the general shareholders.
 - 3.4 Information provided or reports regarding any other business that the company has prepared for distribution to the shareholders or the general public as stipulated by the Capital Market Supervisory Board.
4. To perform other duties as prescribed further by the Capital Market Supervisory Board.
5. The Company Secretary must perform duties with responsibility, care and integrity and conduct the company's business in compliance with the laws, company objectives, Articles of Association, and resolutions of the Board of Directors as well as resolutions of the shareholders and not commit any act which is contrary to or significantly inconsistent with the interests of the company.
6. The Company Secretary must act with responsibility and prudence as an intelligent individual in business would under the same circumstances by adhering to the following:
 - 6.1. Decisions and actions taken in good faith and integrity, with intention for and in accordance with what will bring the greatest benefit to the company;
 - 6.2. Decisions and actions taken based on a foundation of knowledge that is believed in good faith to be sufficient;
 - 6.3. Decisions and actions taken without a vested personal interest, whether directly or indirectly, in the decision or its outcome.

In case the Company Secretary retires or is unable to perform his or her duties, the Board of Directors shall appoint the new Company Secretary within 90 days from the date which the Company Secretary retired or was unable to perform his or her duties.

Head of Internal Audit : (Ms. Piyamas Ruangsangroop) Effective Date April 16, 2015

The company has no internal audit department within the company. However, it has appointed Honor Audit and Advisory Co., Ltd., outsourcing its audit office to the said party to assess the internal controls of the company and the adequacy of the internal control system. The Internal Auditor will report the results of the internal audit to the meeting of the Audit Committee. The person has direct contact with the internal auditor is the Chief Financial Officer. As well as prepare an annual internal audit plan to present to the Audit Committee for approval of the plan in order to track and monitor the integrity of the operations to be in line with the company policy. The company has continually updated and improved the quality of its internal controls. Ms. Piyamas Ruangsangroop, Executive Director is the main responsible person for performing the duties of the company's internal auditors. To audit and assess the sufficiency of the internal control system and report the audit results to the Audit Committee regularly every quarter.

In addition, the company has set up a system to supervise the company's business in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand, etc., and establish corporate governance policies. Balance To determine the Board of Directors, Audit Committee, Top management department and employees must comply with the law. Including communicate with employees to realize that every employee has a duty and accountability to study and understand the laws and regulations involved in the job responsible and perform them correctly and completely Strictly adhere to the rules (Details appear in the attachment)



Investor Relations

The company provides a responsible person. Coordinate in communication between shareholders, institutional investors, investors, analysts to disclose important information. Investors can contact 'Srisunun Anuchornphan' Company Secretary/Investor Relations as at Email: ir@bizalignment.com or Tel: +66 2636 6828-9 ext 25

Investor Relations Activities

The company also focuses on disclosure information through investor relations activities. Executives are involved in providing information and meeting investors, analysts to gain a better understanding of the operating of the company and to strengthen the relationship. It also promotes continuous exchange of information such as,

- Participation in the Opportunity Days organized by the SET on a quarterly basis. (2 times)
- Press releases are made on a regular basis. It is also published on the company's website.

Auditor Remuneration

The company paid audit fees for the review of the year 2020-2022 financial statements as detail follows;

- Ms. Kornthip Wanichwisedkul, Certified Public Accountant No. 6947, who is the auditor of M.R. & Associates. Co., Ltd. for the year 2020
- Ms. Kornthip Wanichwisedkul, Certified Public Accountant No. 6947, who is the auditor of the company for the year 2021
- Mr. Piya Chaiyapruerkmalakarn Certified Public Accountant No. 7544, who is the auditor of EY Office Limited for the year 2022

The details of the audit fees are as follows:

1. Remuneration of Auditor (Audit Fee)

(Unit: Baht)

Audit Fees	Year 2020	Year 2021	Year 2022
1. Annual audit fee	900,000	900,000	1,050,000
2. Audit fee for quarterly financial statements	900,000	900,000	450,000
Total	1,800,000	1,800,000	1,500,000

2. Other charges (Non-Audit Fee) - none -



Corporate Governance Report

The Board of Directors has reviewed this corporate governance policy at least once a year, which the Board of Directors has found that the company has adopted most of the practices. In the latest review (February 22, 2023), the Board of Directors had been informed of the current activities of the company and has an additional improvement from the previous year. The Board of Directors has agreed to cover and keep up with the evolving corporate governance developments. In accordance with good corporate governance principles.

Following up on policies and practices in corporate governance

In the year 2021, from monitoring the performance of various corporate governance activities such as the prevention of conflicts of interest. Using inside information for profit Anti-corruption, whistleblowing. No flaws were found in violation of or misconduct of any code of conduct.

Meeting Attendance of the Board of Directors and Sub-Committee in the year 2022

Board of Directors and Sub-committees will acknowledge the schedule in advance throughout the year. The Board can allocate time to attend the meeting. The company secretary sends the meeting invitation letter confirming the date, time, venue, agenda and content of each meeting at least 7 days before the meeting date.

Name	Year 2021			Year 2022		
	Baord Meeting	Audit Committee Meeting	NRC Meeting	Baord Meeting	Audit Committee Meeting	NRC Meeting
1. Mr. Woodtipong Moleechad	[9]/[9]	-	-	[6]/[6]	-	-
2. Ms. Srirat Chuchottaworn	[9]/[9]	[4]/[4]	[2]/[2]	[6]/[6]	[4]/[4]	[2]/[2]
3. Mr. Vipoota Trakulhoon	[9]/[9]	[4]/[4]	[2]/[2]	[6]/[6]	[4]/[4]	[2]/[2]
4. Mr. Thanawat Lertwattanak	[9]/[9]	[4]/[4]	[2]/[2]	[6]/[6]	[4]/[4]	[2]/[2]
5. Mr. Sompong Chunekitiyanone	[9]/[9]	-	[2]/[2]	[6]/[6]	-	[2]/[2]
6. Mr. Voravid Silapusid	[9]/[9]	-	[2]/[2]	[6]/[6]	-	[2]/[2]
7. Mr. Noppadol Suntanaphanich	[9]/[9]	-	-	[6]/[6]	-	-

Remark: [Total Meeting]/[Meeting Attendance]



Summary of the Remuneration of Directors in the year 2020-2022

Name	Year 2020 (Baht)	Year 2021 (Baht)	Year 2022 (Baht)
1. Mr. Woodtipong Moleechad	390,000	405,000	345,000
2. Ms. Srirat Chuchottaworn	360,000	370,000	330,000
3. Mr. Vipoota Trakulhoon	350,000	360,000	320,000
4. Mr. Thanawat Lertwattanak	340,000	350,000	310,000
5. Mr. Sompong Chunekitiyanone	110,000	110,000	80,000
6. Mr. Voravid Silapusid	110,000	110,000	80,000
7. Mr. Noppadol Suntanaphanich	90,000	90,000	60,000
Total	1,750,000	1,795,000	1,525,000

- Notes:**
- Directors' remunerations included monthly remuneration and meeting allowance for each attendance. For Mr. Sompong Chunekitiyanone, Mr. Voravid Silapusid and Mr. Noppadol Suntanaphanich Executive Director, there will be no monthly remuneration as director.
 - Independent directors also receive meeting allowances for attending the shareholders' meeting.
 - Directors' remuneration, the remaining amount from the amount of 2 million Baht, the average calculation for all independent directors.
 - Directors do not receive any remuneration for their directorship in subsidiaries.

Other benefits - None

Performance of the duties of the Audit Committee in the past year

- In addition to reporting the performance of duties as specified in the Audit Committee Report. The Audit Committee also provided valuable advice on management and supervision of subsidiaries
- Providing advice and guidelines for internal audit of the company, to have more perspectives in different dimensions to give shareholders and investors confidence that the Audit Committee gives importance to inquiring about the adequacy and appropriateness of the company's internal control system.

Performance of the duties of the Nomination and Remuneration Committee in the past year

- In addition to reporting the performance of duties as specified in the Nomination and Remuneration Committee Report. It also provides additional guidance for reviewing succession policies. To be more current, for the benefit of management and recruiting suitable people to take the position of top management.
- Provide opportunities for shareholders to participate in the nomination of persons to be considered for the election of directors in advance. In the year 2021, the company is allowed to exercise their rights from November 10, 2021, to December 30, 2021 by notifying through SETLINK of the Stock Exchange of Thailand and the company's website which details the methods and procedures for consideration to present to the Board of Directors and the 2021 Annual General Meeting of Shareholders. No shareholder nominated a person to be considered for election as a director.
- The Nomination and Remuneration Committee has considered according to the nomination criteria. considered that the directors who had to retire by rotation have full qualifications according to the Public Company Limited Act B.E. 2535. It has passed the analysis of qualifications, knowledge, abilities, experience and expertise (Board Skill Matrix) that are consistent and necessary for the Company's business strategy. Therefore, the matter was proposed through the resolution of the Board of Directors. As an agenda in the 2022 Annual General Meeting of Shareholders, the retiring directors shall be re-elected for another term.

Internal Control

At the Board of Directors' Meeting has assessed the adequacy of the internal control system of the company based on five components which are the organization and environment, risk management, operational control of the Management, the information and data communication systems and the monitoring system.

For the implementation of the internal control system, the Audit Committee of the company reviewed the internal control system and the business operations of the company by cooperating with the Auditor, the internal auditor and Management on the review of the financial reports for the adequate and reliable disclosure of information in order for the operations of the company to comply with the law on Securities and Exchange, regulations of the Stock Exchange of Thailand, as well as any rules, notifications and laws related to the business of the company.

In the Board of Directors Meeting No. 1/2023 on February 22, 2023, the Audit Committee reported to the Board of Directors. With the opinion that The Audit Committee has evaluated and gave opinions on the sufficiency assessment form of the Company's internal control system for the year 2022, which presented by the internal audit team (Honor Audit and Advisory Company Limited) is sufficient and appropriate. By using the sufficiency assessment form of the Company's internal control system in various areas, 17 key items according to the SEC's internal control system adequacy assessment form, which considered that the company had adequate and appropriate internal control With the business operation of the company In this regard, a performance report of the Audit Committee has been prepared which covers topics on the internal control system. The report is signed by the Chairman of the Audit Committee.

Deficiencies in internal control

For the deficiencies in the internal control system in the past year, it was found that the issues that the internal audit team reported to the Audit Committee each quarter. Most of this is due to the amount of documentation at certain stages of the work process that may be unguarded in practice resulting in incomplete storage or tracking according to the work manual. This is not a major point that will damage any work in the business. Moreover, when receiving the advice. They have followed up have been revised and corrected completely and did not find such issues in the next quarter and the internal audit team reports to the Audit Committee and the Board of Directors every quarter. In summary, the defects found do not result in inefficient internal control system in any way.

Opinion of the Audit Committee on appointment of the Head of Internal Audit

The Audit Committee has considered the qualifications of Honor Audit and Advisory Co., Ltd. and Ms. Piyamas Rueangsaengrob are suitable enough to perform the Company's internal audit duties. Because they are independent and have experience in performing internal auditing. There is ongoing training and development in courses related to the performance of internal auditing. In this regard, the consideration and approval for the appointment and removal of the person holding the position of the internal audit supervisor will be approved by the audit committee. According to the profile of the head of the internal audit.

Connected Transactions

Description of Transactions

The Company had transactions with persons who may have conflicts of interest which were connected transactions that occurred between Directors and/or Management and/or major shareholders and related companies, of which the persons who have conflicts of interest are Directors and/or Management and/or major shareholders of the company, occurring in fiscal year 2020-2022, respectively, as follows:

Companies/Persons who may have a conflict	Description of Connected Transactions	Connected transaction		
		Fiscal Year 2020 As of December 31, 2020	Fiscal Year 2021 As of December 31, 2021	Fiscal Year 2022 As of December 31, 2022
1. Mr. Sompong Chuenkityanone	<ul style="list-style-type: none"> - Director, Chairman of Executive Committee, Chief Executive Officer, Chairman of Risk Management Sub-Committee, Nomination and Remuneration Committee member, Executive Chairman and Chief Operating Officer (Acting) of the company. - The company's major shareholder, holding 32.08 percent of the paid-up capital of the company as of December 31, 2022 	✓	✓	✓
2. Mr. Voravid Silapusid	<ul style="list-style-type: none"> - Director, Executive Committee, Chief Finance Officer, Risk Management Sub-Committee member, Nomination and Remuneration Committee, Human Resources Manager (Acting) of the company. - The company's major shareholder, holding 30.21 percent of the paid-up capital of the company as of December 31, 2022 	✓	✓	✓
3. Sathorn Sixteen Company Limited Operate real estate rental business There are 3 directors of the company which are: 1) Mr. Sompong Chuenkityanone 2) Mr. Voravid Silapusid 3) Mr. Noppadol Suntanaphanich	<ul style="list-style-type: none"> - Mr. Sompong Chuenkityanone holding 42.50% of the paid-up capital of Sathorn Sixteen Co., Ltd. - Mr. Voravid Silapusid holding 42.50% of the paid-up capital of Sathorn Sixteen Co., Ltd. - Mr. Noppadol Suntanaphanich holding 10.00% of the paid-up capital of Sathorn Sixteen Co., Ltd. 	✓	✓	✓
4. Genfosis Co., Ltd. Gene Testing The common director is Mr. Sompong Chuenkityanone	<ul style="list-style-type: none"> - Company with common directors 		✓	✓
5. International Network System Public Company Limited Computer network systems The common director is Mr. Woodtipong Moleechad	<ul style="list-style-type: none"> - Company with common directors 			✓



Details of Connected Transactions

Details of connected transactions between the company and persons who may have conflicts of interest, which occurred in fiscal year 2020-2022 as of December 31, 2020 – 2022 are as follows.

Persons who may have a conflict	Description of Connected Transactions	Value of the transaction (million Baht)			Necessity and Rationale
		As of December 31, 2020	As of December 31, 2021	As of December 31, 2022	
1. Mr. Sompong Chunekitiyanone	<p><u>Guaranteeing the collateral for credit line and short-term loans to financial institutions for the company</u></p> <p>Mr. Sompong Chunekitiyanone made collateral guarantees for the company</p> <ul style="list-style-type: none"> in the amount of 115.00 million Baht for the year 2020 the amount of 55.00 million Baht for the year 2021 the amount of 55 million Baht for the year 2022 <p>without having charged any fee for making the guarantee and currently there are still outstanding amounts from the letter of guarantee of the aforesaid transaction.</p>	Outstanding balance 8.04	Outstanding balance 0.00	Outstanding balance 0.00	<p>The company is required to have a guarantee for a credit line and short-term loan from domestic financial institutions to be used as working capital for the company's liquidity in operations. For this type of guarantee for the loan, there will be no charges or fees for the guarantee whatsoever.</p> <p><u>Opinion of the Audit Committee</u> The Audit Committee has evaluated and commented that such transaction is reasonable and occurred because there is a need to bring benefits to the company in requesting credit line guarantees and short-term loans from financial institutions in order to carry out its business.</p>
2. Mr. Voravid Silapusid	<p><u>Guaranteeing the collateral for credit line and short-term loans to financial institutions for the company</u></p> <p>Mr. Voravid Silapusid made collateral guarantees for the company</p> <ul style="list-style-type: none"> in the amount of 115.00 million Baht for the year 2020 in the amount of 55.00 million Baht for the year 2021 in the amount of 55 million Baht for the year 2022 <p>without having charged any fee for making the guarantee and currently there are still outstanding amounts from the letter of guarantee of the aforesaid transaction.</p>	Outstanding balance 8.04	Outstanding balance 0.00	Outstanding balance 0.00	<p>The company is required to have a guarantee for a credit line and short-term loan from domestic financial institutions to be used as working capital for the company's liquidity in operations. For this type of guarantee for the loan, there will be no charges or fees for the guarantee whatsoever.</p> <p><u>Opinion of the Audit Committee</u> The Audit Committee has evaluated and commented that such transaction is reasonable and occurred because there is a need to bring benefits to the company in requesting credit line guarantees and short-term loans from financial institutions in order to carry out its business.</p>

Persons who may have a conflict	Description of Connected Transactions	Value of the transaction (million Baht)			Necessity and Rationale
		As of December 31, 2020	As of December 31, 2021	As of December 31, 2022	
3. Sathorn Sixteen Company Limited	<p><u>The expenses of the rent office space.</u></p> <ul style="list-style-type: none"> The company rents office space from Sathorn Sixteen Company Limited. <p><u>Current Assets</u></p> <ul style="list-style-type: none"> Deposits office space <p><u>Accounts payable and other payables</u></p> <ul style="list-style-type: none"> Accrued expenses 	<p>The rents 1.63</p> <p>Deposits 0.41</p> <p>House and building tax 0.06</p>	<p>The rents 1.63</p> <p>Deposits 0.41</p> <p>House and building tax 0.06</p>	<p>The rents 1.63</p> <p>Deposits 0.41</p> <p>House and building tax 0.06</p>	<p>The company rents office space which the company's proprietary of Sathorn Sixteen Company Limited space leased 227 square meters for use the office for 12 months, start from 1 January 2019 to 31 December 2024 total 600 Baht per square meter per month totaling 136,200 Baht per month. The rental rates are rate similar to the rate in Sathorn Thani Building, which is equal to 600 Baht per square meter per month. In addition, the contract provides the company is responsible for payment of utilities and other services to the juristic person Sathorn Thani and MEA directly. If the company would like to renew the contract. The company must be informing by letter in advance in writing within 90 days before the expiration of this contract. Both sides have agreed to the new rates.</p> <p><u>Opinion of the Audit Committee</u> The Audit Committee considered and commented that the transaction is reasonable and to the benefit of the business. In addition, rental rates and contract terms are reasonable and according to the nature of its business.</p>

Persons who may have a conflict	Description of Connected Transactions	Value of the transaction (million Baht)			Necessity and Rationale
		As of December 31, 2020	As of December 31, 2021	As of December 31, 2022	
4. Genfosis Co., Ltd.	<u>Service cost and Service costs paid in advance</u> <ul style="list-style-type: none"> Gene testing service fee <u>Trade payable and other trade payable</u> <ul style="list-style-type: none"> Trade payable 	0.00	0.05	0.86	<p>Genfosis Co., Ltd. has appointed the company is a distributor of individual genetic testing services. The contract is dated October 27, 2021. The contract is for a period of 1 year from the contract date and will be renewed periodically every 1 year continuously. Unless written notice such appointment period shall not be extended 30 days prior to the expiration of the appointment period.</p> <p><u>Opinion of the Audit Committee</u> The Audit Committee considered and had an opinion that the transaction was reasonable, and for the benefit of the Company's business operations. In addition, the service rates and conditions in the contract are appropriate and in accordance with general business practices.</p>
		0.00	0.00	0.09	
5. International Network System Public Company Limited	<u>Cost of good and Service costs</u> <ul style="list-style-type: none"> Purchases of goods and service <u>Trade payable and other trade payable</u> <ul style="list-style-type: none"> Trade payable <u>Sales</u> <ul style="list-style-type: none"> Sales ATK 	0.00	0.00	11.52	<p>International Network System Public Company Limited sales computer network systems and service maintenance to the company.</p> <p><u>Opinion of the Audit Committee</u> The Audit Committee considered and had an opinion that the transaction was reasonable, and for the benefit of the Company's business operations. In addition, the goods and service rates and conditions in the contract are appropriate and in accordance with general business practices.</p>
		0.00	0.00	0.36	
		0.00	0.00	0.03	

Measures or Procedures in Approving Related Transactions

Board of Directors has approved principles pertaining to trade agreements with under general terms of trade in transactions between the company and related companies or persons, persons who may have a conflict of interest and persons who are stakeholders or may potentially have a conflict of interest in the future. The approved principles allow the Management to approve such transactions if the transaction is performed under a trade agreement such as would be made between a reasonable individual and the other contract party in the same circumstances, through the use of trade negotiation power that is free from the influence of their status as Directors, Executives or related persons. Moreover, its priced according to fair and at arms' length principle. In this case, the Management of the company can operate normally under the principles that the Board of Directors has approved and summarize a report of any such transactions that occurred during the previous period in order to report to the meeting of the Audit Committee on a quarterly basis or upon the request of the Board of Directors.

In the event the transaction is not a normal commercial transaction, the company will provide an opinion by the Audit Committee about the necessity and appropriateness of the transaction. If the Audit Committee does not have the expertise to evaluate a potential transaction, the company will consider allowing an independent appraiser, independent specialist or an auditor to comment on the related transaction to the Audit Committee with an evaluation that the Committee may use to form its decision and comment to the Board of Directors or shareholders, according to circumstance, for approval before such a transaction is made. In this case, the company will disclose the related transaction in the accompanying notes to the financial statements which have been audited by the auditor of the company and if the company's ordinary shares are listed on the Market for Alternative Investment (mai) the company will disclose such transactions in the Annual Registration Statement (Form 56-1) and the company's Annual Report (Form 56-2) and 56-1 One Report in accordance with the regulations and laws of the Securities and Exchange Commission. In this event, the approval of such related transactions shall be treated in accordance with the laws of the Securities and Exchange Commission and the regulations, notifications, orders or provisions of the Stock Exchange of Thailand. Persons who may have conflicts or interests in related transactions will not be entitled to vote on such related transactions.

Policy and Trends of Future Related Transactions

The Board of Directors' Meeting has specified a policy on entering into related transactions that in the future, if it is necessary to have related transactions with persons who may have conflicts of interest with the company, the company will determine the conditions according to the nature of its normal trade practices and market prices which can be compared with reference prices or conditions that would occur in with companies running the same or similar business which the company has dealt with externally. In such a situation, the company will allow the Audit Committee to comment on the price, remuneration, as well as the necessity and appropriateness of such transactions. If the Audit Committee does not have the expertise to consider the transaction, the company will select an independent appraiser, independent specialist, or the auditor of the company, to comment on the aforesaid transaction to provide the Audit Committee with sufficient background to formulate its decision and comment to the Board of Directors or shareholders, according to the circumstance. The company will disclose the related transaction in the accompanying notes to the financial statements which have been audited by the auditor of the company. And if the company's ordinary shares are listed on the Market for Alternative Investment (mai), the company will disclose such transactions in the Annual Registration Statement (Form 56-1) and the company's Annual Report (Form 56-2) and 56-1 One Report in accordance with the regulations and laws of the Securities and Exchange Commission. In this event, the approval of such related transactions shall be treated in accordance with the laws of the Securities and Exchange Commission and the regulations, notifications, orders or terms of the Stock Exchange of Thailand.



For related transactions that may occur in the future, Directors must comply to prescribed rules and must not approve any transaction which the Directors themselves or other persons may have conflicts of interest with the company. They must also disclose such transactions to the Board of Directors for consideration. The company must comply with the laws of the Securities and Exchange Commission and regulations, notifications, orders or terms of the Stock Exchange of Thailand and with requirements relating to the disclosure of related transactions and the acquisition or disposition of the company's assets, and maintain strict compliance with the accounting standards set by the Association of Accountants. In addition, the company will not carry out any related transaction with related companies which do not occur within the normal business operations of the company.

In any case, for related transactions that are short-term loans from the Directors of the company, the company's policy is not to rely any longer on loans from Directors as the company plans to find its own alternative sources of funding.

However, the related transaction that may occur in the future is the rent of the company's office space from Sathorn Sixteen Co., Ltd. under conditions and rates that are appropriate and adhere to general business practices. However, if, in the future, the company changes the conditions, price or any detail of the company's office space rental from Sathorn Sixteen Co., Ltd., the company will comply with the regulations that have been set up and disclose such transactions to the Audit Committee and the Board of Directors for assessment and/or consideration before proceeding with the said transaction.

Investor Protection Measures

In the future, in order to protect investors, if there are related transactions of the company with persons who may have a conflict of interest, are stakeholders or may potentially show a conflict of interest in the future, the company will present such transactions at meetings of the Board with the Audit Committee members attending the meeting (excluding related transactions performed between contract parties under a trade agreement with general terms of trade) in order to ensure that the related transactions are carried out fairly and with reasonable pricing policies). The Board of Directors must perform their duties in strict compliance with the laws of the Securities and Exchange Commission and regulations, notifications, and terms of the Stock Exchange of Thailand as well as in strict compliance with those requirements relating to the disclosure of related transactions and the acquisition or disposition of any significant assets by listed companies.



Certification of the Correctness of Information

The company has reviewed the information in this 56-1 One Report 2022 with guardedness. The company hereby certifies that such information is correct, complete, not false, and does not mislead others or lack of information that should be disclosed in material matters.

- (1) Financial statements and financial information summarized in 56-1 One Report 2022. Has shown accurate and complete information about the financial position. Performance And cash flow of the company and its subsidiaries already.
- (2) The company has set up a good disclosure system. This is to ensure that the company has disclosed all material information of the company and its subsidiaries correctly and completely. Including supervising the implementation of the system.
- (3) The company has set up a good internal control system and supervise the implementation of the said system. The company has informed the internal control system assessment as of December 31, 2022 to the auditor and the audit committee of the company. This covers deficiencies and significant changes to the internal control system. Including any wrong action that may affect the financial reporting of the company and its subsidiaries.



Detail of Directors, Audit Committee, Executive Committee, Accounting Controller, Company Secretary and Internal Audit

Mr. Woodtipong Moleechad

Chairman of the Board
Independent Director
Age 74



Shareholding Percentage as of 30/12/2022 0.00%
Changes in number of Shares during the year none
Relationship between the Executive none
The indirect shareholding of spouse and immature children none
Appointment Date 16 December 2015 (7 years)
Education Bachelor of Economics Program, Thammasat University

Seminar and Training

Thailand Institute of Directors: IOD

- Advanced Audit Committee Program (AACP) Class 44/2022
- Anti-Corruption for Executive Program Class 15/2015
- Director Certification Program Update Class 3/2015
- Director Certification Program Class 130/2010

5 Years' Work Experience

Positions in other public companies

- 2022 – Present
- Chairman
 - Independent Director
 - Chairman of Audit Committee
- International Network System Public Co., Ltd.
- 2017 – Present
- Vice Chairman of the Board
 - Chairman of Audit Committee
 - Independent Director
- Triple I Logistic Public Co., Ltd.
- 2009 – Present
- Chairman of the Board
 - Independent Director
 - Chairman of Nomination and Corporate Governance Committee
 - Audit Committee Member
 - Compensation Committee Member
- Symphony Communication Public Co., Ltd.

Positions in other companies

- 2022 – Present
- Chairman
 - Independent Director
 - Chairman of Audit Committee
- Supreme distribution (Thailand) Co.,Ltd.

Ms. Srirat Chuchottaworn

Independent Director
Chairman of Audit Committee
Nomination and Remuneration
Committee
Age 54



Shareholding Percentage as of 30/12/2022 0.00%
Changes in number of Shares during the year none
Relationship between the Executive none
The indirect shareholding of spouse and immature children none
Appointment Date 16 December 2015 (7 years)

Education

- Bachelor of Science, Faculty of IT in Business, Chulalongkorn University
- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Advisory permission from SAP in financial accounting and management accounting. (Certified SAP consultant in FI/CO)

Seminar and Training

Thailand Institute of Directors: IOD

- Director Certification Program (DCP) class 219/2016
- Advanced Audit Committee Program (AACP) class 24/2016

5 Years' Work Experience

Positions in other public companies

- 2019 – Present
- Independent Director
 - Chairman of Nomination and Remuneration Committee
- T.R.V. Rubber Products Co., Ltd.

Positions in other companies

- 2018 – Present
- Director
- Cancer Alliance Co., Ltd.
- 2017 – Present
- Director
- Mix Easy (Thailand) Co., Ltd.
- 2016 – Present
- Director
- Info Fabrica (Thailand) Co., Ltd.
- 2013 – Present
- Director
- Baseline Technology Consultants Co., Ltd.
- 2012 – Present
- Director
 - Director
- ITLS (Thailand) Co., Ltd.
- I H R Consulting Co., Ltd.
- 2011 – Present
- Director
 - Director
- I Coach Co., Ltd.
- Code IT Consulting Co., Ltd.
- 2010 – Present
- Director
- ITS Trade Ship Co., Ltd.
- 2006 – Present
- Director
- ECM Consulting Co., Ltd.
- 2004 – Present
- Director
- I AM Consulting Co., Ltd.



Mr. Vipoota Trakulhoon

Independent Director
Audit Committee
Chairman of Nomination and
Remuneration Committee
Age 56



Shareholding Percentage as of 30/12/2022 0.00%
Changes in number of Shares during the year none
Relationship between the Executive none
The indirect shareholding of spouse and immature children none
Appointment Date 16 December 2015 (7 years)

Education

- Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Business Administration, Major of Banking and Finance, Chulalongkorn University

Seminar and Training

Thailand Institute of Directors: IOD

- Advanced Audit Committee Program (AACP) Class 42/2021
- Director Accreditation Program (DAP) Class 117/2015

5 Years' Work Experience

Positions in other public companies

- 2021 – Present
- Independent Director
 - Audit Committee
- Sky ICT Public Co., Ltd.
- 2021 – Present
- Independent Director
 - Audit Committee
- Thai Vegetable Oil Public Co., Ltd.
- 2017 – Present
- Independent Director
 - Audit Committee
- Triple I Logistic Public Co., Ltd.
- 2014 – Present
- Executive Committee
- Millcon Steel Public Co, Ltd.
- 2011 – 2013
- Executive Vice President
 - Head of Corporate Banking Group
- Krungthai Bank Public Co., Ltd.

Positions in other companies

- 2014 – Present
- Director
- Creative Power Co., Ltd.
- 2013
- Chairman of the Board
- Krung Thai IBJ Leasing Co., Ltd.

Mr. Thanawat Lertwattanak

Independent Director
Audit Committee
Nomination and Remuneration
Committee
Age 52



Shareholding Percentage as of 30/12/2022 0.00%
Changes in number of Shares during the year 2,000 Shares
Relationship between the Executive none
The indirect shareholding of spouse and immature children none
Appointment Date 16 December 2015 (7 years)

Education

- Mater of Industrial Engineering (Manufacturing) University of Tennessee, Knoxville, USA
- Bachelor of industrial engineering from University of Tennessee, Knoxville, USA
- Bachelor of Science, Major of Computer Science King Mongkut's Institute of Technology Lat Krabang

Seminar and Training

Thailand Institute of Directors: IOD

- Director Certification Program (DCP) Class 219/2016
- Advanced Audit Committee Program (AACP) class 24/2016

5 Years' Work Experience

Positions in other public companies - None

Positions in other companies

- 2019 – Present
- Director
- DeepSparks Co., Ltd.
- 2017 – Present
- Director
- J Venture Co., Ltd.
- Director
- PAC Corporation (Thailand) Co., Ltd.
- 2016 – Present
- Director
- Info Fabrica (Thailand) Co., Ltd.
- 2013 – Present
- Director
- Baseline Technology Consultants Co., Ltd.
- Director
- Any I Corporation Co., Ltd.
- Director
- ITS Trade Ship Co., Ltd.
- 2012 – Present
- Director
- ITLS (Thailand) Co., Ltd.
- Director
- I am consulting Co., Ltd.
- Director
- I H R Consulting Co., Ltd.
- 2011 – Present
- Director
- I Coach Co., Ltd.
- Director
- Code IT Consulting Co., Ltd.
- 2006 – Present
- Director Consultant
- ECM Consulting Co., Ltd.

Mr. Sompong Chunekitiyanone

Director
Executive Chairman
Chairman of Risk Management Sub-Committee
Nomination and Remuneration Committee
Chief Executive Officer
Chief Operating Officer (Acting)
(Authorized Directors)
Age 60



Shareholding Percentage as of 30/12/2022 32.08%
Changes in number of Shares during the year 64,235,000 Shares
Relationship between the Executive none
The indirect shareholding of spouse and immature children none
Appointment Date 12 May 2000 (22 years)

Education

- Master of Business Administration, National Institute of Development Administration (NIDA)
- Master of Science, Department of Forensic Science, Mahidol University
- Bachelor of Science, Department of Radiological Technology, Mahidol University

Seminar and Training

Thailand Institute of Directors: IOD

- Capital Market Leader Program, Capital Market Academy Class 26/2018
- Director Certification Program (DCP) Class 204/2015

Other courses

- Government Finance and Fiscal Management Program for Senior Executives, Class 9
- Top Executive Program in Commerce and Trade, TEPCOT Class 13/2020, University of the Thai Chamber of Commerce
- Advanced Master of Management Program (AMM) Class 2, National Institute of Development Administration (NIDA)
- Thailand's Big Strategic Move Conference 2017 by SET
- Joint discussion on the implementation of the Anti-Corruption Action Plan of the Thai Private Sector 2017
- SET Social Impact Day 2017: Partnership for the Goals "Combine the power for sustainability."

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

- 2018 – Present • Chairman of the Board
Cancer Alliance Co., Ltd.
- 2014 – Present • Director
Sathorn Sixteen Co., Ltd.

Mr. Voravid Silapusid

Director
Executive Committee
Risk Management Sub-Committee
Nomination and Remuneration Committee
Chief Financial Officer
Human Resource Manager (Acting)
(Authorized Directors)
Age 57



Shareholding Percentage as of 30/12/2022 30.21%
Changes in number of Shares during the year 60,500,000 Shares
Relationship between the Executive none
The indirect shareholding of spouse and immature children 0.75%
Appointment Date 12 May 2000 (22 years)

Education

- Master of Development Economics Major of Financial Economics, National Institute of Development Administration (NIDA)
- Master of Engineering, Major of Engineering Industrial and Manufacturing, Asian Institute of Technology
- Bachelor of Engineering, Major of Electronic, King Mongkut's Institute of Technology Lat Krabang

Seminar and Training

Thailand Institute of Directors: IOD

- Director Certification Program (DCP) Class 205/2016

Other courses

- Analytic and foreign exchange risk management
- CFO challenges with financial reporting in economic volatility
- Summary of key operating statistics and financial statements analysis for presentation to management Year 2021
- The New CFO (Crisis Financial Officer) Year 2020
- 2020 Financial Statement Analysis Strategy for Executives and Accountants
- TFRS 16 Leases and Recognition of Financial Standards in 2019

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

- 2018 – Present • Director
Cancer Alliance Co., Ltd.
- 2014 – Present • Director
Sathorn Sixteen Co., Ltd.



Mr. Noppadol Suntanaphanich

Director
Executive Committee
Risk Management Sub-Committee
Service and IT Manager
(Authorized Directors)
Age 51



Shareholding Percentage as of 30/12/2022 5.99%
Changes in number of Shares during the year 12,000,000 Shares
Relationship between the Executive none
The indirect shareholding of spouse and immature children none
Appointment Date 3 April 2015 (7 years)

Education

- Master of Business Administration, Major of Management, Ramkhamhaeng University
- Bachelor of Industrial Technology (Faculty of Engineering), Mahanakorn University of Technology

Seminar and Training

Thailand Institute of Directors: IOD

- IT Governance and Cyber Resilience Program (ITG) Class 8/2018
- Directors Accreditation Program (DAP) Class 123/2016

Other courses

- Occupational Safety Officer Course for Executive Year 2021
- ISO13485:2016 Process Validation for Medical Devices Year 2020
- ISO13485:2016 Internal Audit Training Year 2020
- High Value Brand Ambassador Year 2020
- Training course ISO13485:2016 Distribution/Service and Maintenance of Medical Device

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

2014 – Present • Director
Sathorn Sixteen Co., Ltd.

Ms. Sukanlaya Khamnuan

Executive Committee
Risk Management Sub-Committee
Financial and Accounting
Manager
Age 38



Shareholding Percentage as of 30/12/2022 0.00%
Changes in number of Shares during the year 13,000 Shares
Relationship between the Executive none
The indirect shareholding of spouse and immature children none
Appointment Date 23 December 2015 (7 years)

Education

- Master of Business Administration, Major of Finance and Banking, Ramkhamhaeng University
- Bachelor of Business Administration, Major of Accounting, Ramkhamhaeng University

Seminar and Training

Thailand Institute of Directors: IOD

- Directors Accreditation Program (DAP) Class 136/2017

Other courses

- Riding waves of market volatility Dissecting strategies on volatility
- Accounting standards related to property, plant and equipment
- Digital Asset and Business Growth Opportunity (New S-Curve) of Listed Companies
- Income difference between accounting and tax
- CFO's Challenges with Financial Reporting in the Age of Economic Fluctuations
- THE NEW CFO 2021 How to Make Financial Instruments Work Year 2021
- The New CFO The New Technology Year 2021
- Analysis of financial statements & cash flow statement Year 2021
- The New CFO (Crisis Financial Officer) Year 2020
- Financial Management Strategy To revive the organization and create growth in the New Normal era
- The employer is responsible for remittance according to the Education Loan Fund Act B.E. 2560, what to do?
- TFRS9 workshop for accounting, protection/Direction, financial reporting standards (PAEs and NPAEs) year 2019
- Scholarship Program "Prepare for the adoption of the Financial Reporting Standard" Year 2017

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

2018 – Present • Director
Cancer Alliance Co., Ltd.

Ms. Srisunun Anuchornphan

Executive Committee

Chief Administrative Officer

Company Secretary

Secretary of Audit Committee

Secretary of Nomination and
Remuneration Committee

Secretary of Executive Committee

Secretary of Risk Management

Sub-Committee

Age 45



Shareholding Percentage as of 30/12/2022 0.00%

Changes in number of Shares during the year 5,200 Shares

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 1 January 2017

Education

- Master of Business Administration for Executive, Major of Management, Rangsit University
- Bachelor of Business Administration Major Personnel Management Faculty of Humanities and Social Sciences, Burapha University

Seminar and Training

Thailand Institute of Directors: IOD

- How to develop a risk management plan (HRP) Class 24/2019
- Board Reporting Program (BRP) Class 23/2017
- Company Reporting Program (CRP) Class 13/2015
- Company Secretary Program (CSP) Class 46/2012

Other courses

- IR in Action Class 1/2022
- Occupational Safety Officer Course for Executive Year 2021
- High Value Brand Ambassador
- The Future of HR 2020 & People Transformation
- ISO13485:2016 Internal Audit Training (Qtime Consultant)
- PDPA for Internal Audit Class 4 Association of Political Science, Kasetsart University
- PDPA for HR Class 8 Association of Political Science, Kasetsart University
- IR Fundamental Course 2018 (Thailand Securities Institute: TSI)
- Training course ISO13485:2016 Distribution/Service and Maintenance of Medical Device
- Criminal Liability of Directors and Juristic Persons 2017 (SET)
- How to create a HR plan for a corporate strategy class 7/2017
- Basic Finance for IR 2017 (SET)
- Communication on Strengths by ADDIE the Change Consulting Co., Ltd. 2017
- Corporate Secretary Development Program (Faculty of Commerce and Accountancy, Chulalongkorn University) Class 12/2005

5 Years' Work Experience

Positions in other public companies

- 1999 – 2016
- Company Secretary and Admin Manager
Business Online Public Co., Ltd.

Positions in other companies None



List of Directors and Controlling Persons in the company and subsidiary

No.	Name of Directors	Business Alignment	Cancer Alliance	Sathorn Sixteen
1	Mr. Woodtipong Moleechad	▲		
2	Ms. Srirat Chuchottaworn	●	●	
3	Mr. Vipoota Trakulhoon	●		
4	Mr. Thanawat Lertwattanak	●		
5	Mr. Sompong Chunekitiyane	● / ★	▲	●
6	Mr. Voravid Silapusid	● / ★	●	●
7	Mr. Noppadol Suntanaphanich	● / ★		●
8	Ms. Sukanlaya Khamnuan	★	●	
9	Ms. Srisunun Anuchornphan	★		

Remark ▲ Chairman ● Director ★ Executive Committee

* Authorized director of Business Alignment Public Co., Ltd.

Head of Internal Audit

The company hired Honor Auditor and Advisory Company Limited to act as internal auditors of the company. Ms. Piyamas Ruangsangroop, Executive Director is the main responsible person for performing the duties of the company's internal auditors. To audit and assess the sufficiency of the internal control system and report the audit results to the Audit Committee regularly every quarter. The Audit Committee has considered the qualifications of Honor Audit and Advisory Co., Ltd. and Ms. Piyamas Ruangsangroong, and sees that it is appropriate and sufficient for the performance of such duties as it is independent and has experience in performing internal auditing.

In addition, the company has set up a system to supervise the company's business in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand, etc., and establish corporate governance policies. Balance To determine the Board of Directors, Audit Committee or department and employees must comply with the law. Including communicating with employees to realize that every employee has a duty and accountability to study and understand the laws and regulations involved in the job responsible and perform them correctly and completely strictly adhere to the rules.

Name - Surname MS. Piyamas Ruangsaengrob

Present Position

- Head of Internal Audit Team (Outsourcing: Honor Audit and Advisory Co., Ltd.)
- C.P.A. Registration No. 7133

Age 44 years

Shareholding Percentage as of 30/12/2022 0.00%

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 16 April 2015



Education

- Master of Financial Accounting and Assurance, Thammasat University
- Certificate of Audit Factor, Chulalongkorn University
- Bachelor of Business Administration, faculty of Accounting, Rajamangala University of Technology Rattanakosin (RMUTR) Bophit Phimuk Chakkrawat Campus
- Bachelor of Arts, faculty of Mass Communication, Ramkhamhaeng university
- Internal Audit Certificate, Class 7, Federation of Accounting Professions
- Certificate of Tax Law Thammasat University, Customs Tax Course, Excise tax and stamp duty VAT Specific business, tax Corporate, Income Tax, Personal income tax and international taxation
- Certificate of “Capital Market Auditor Development”, Securities and Exchange Commission and the Federation of Accounting Professions
- Certificate of the Federation of “Accounting Professions Audit Office For quality certification under the ISQC1 standard” Class 3
- Certificate of the Association of Investors Club, course “Practices after receiving investment promotion”

Seminar and Training

- Agile Internal Audit Class 2 (2022)
- Create understanding of new financial reporting standards TFRS 16 Leases (2022)
- Audit training projects classified by business type (Hotel Business) (2022)
- Understand basic principles of TFRS 9 (Fundamental of TFRS 9) (2022)
- Protection against offenses under the law of corruption and money laundering (2019)
- Management and sustainability report preparation and social compensation measures (2019)
- Taxes of land and buildings Planning and preparation before enforcement by 2020 (2019)
- Fraud related to basic information technology (2019)
- Making paper for anti-corruption measures in the organization (2018)
- TFRS 2018
- Risk and supervision of information technology (2017)
- Cyber Security for auditors and accountants in the 4.0 era (2017)
- Digital era business and legal risks (2016)
- Internal control guidelines for companies preparing to be listed on the stock market (2016)
- Data Analytics for Internal Audit (2016)

5 Years' Work Experience

2010 – Present	Managing Partner (Audit Division) Honor Audit and Advisory Co., Ltd. (Internal audit services)
2019 – Present	Special Lecturer Burapha University
2019 – 2021	Special Lecturer Bangkok University
2019	Special Lecturer Thammasat University

Audit Committee's Report

The Audit Committee ("The Audit Committee") of Business Alignment Public Company Limited ("The company") comprises of 3 independent Directors as follows:

1. Ms. Srirat Chuchottaworn Independent Director and Chairman of Audit Committee
2. Mr. Vipoota Trakulhoon* Independent Director and Audit Committee Member
3. Mr. Thanawat Lertwattanak Independent Director and Audit Committee Member

**Director with experience in accounting, finance, and auditing*

Each of the Directors meets the qualification mandated therein the Audit Committee Charter in accordance with the Good Governance Guideline from the SEC.

In the year 2022, the Audit Committee had quarterly meetings with Internal Auditors and Auditors, together with the management and the accounting team in attendance as appropriate, to audit the financial statements and exchange recommendations to ensure the financial statements are prepared in accordance with the Generally Accepted Accounting Standard with sufficient information disclosure. The Audit Committee does not found any practice conflicting with the regulations and law related to the company. In the year 2022, there were 4 Audit Committee meetings. The Audit Committee informed the Board of Directors of the result of the work conducted by the Audit Committee in every Board of Director meeting. The key areas are as follows:

1. Financial statements audit

The Audit Committee audited the quarterly, annual, and financial statements with the auditors, management, and Internal Audit to present to the Board of Directors. The Audit Committee also meet with the auditors without the management team in attendance at least once a year.

2. Potential conflict of interest

The Audit Committee reviewed connected transactions and the list of potential conflict of interests between the company and its subsidiaries based on the reasonableness principle and considered the benefits of stakeholders, including the sufficient disclosure in accordance to the rules from the SEC.

3. Internal control and risk management

The Audit Committee reviewed the internal control adequacy of the company's and its subsidiaries from the report prepared by Internal Audit Department, and Auditors to assess the sufficiency and effectiveness of the internal control and the management of key risks.

4. Law and regulations

The Audit Committee reviewed the business conducted in compliance with the law and regulations.

5. Good Governance

The Audit Committee audited the company to ensure good governance for transparency and confidence of stakeholders.



6. Internal Audit

The Audit Committee reviewed the objective and scope of the work and approved the Internal Audit plan for the year 2022. The Audit Committee also provided recommendations and acknowledged the result of the audit and recommendations for the year 2022 from both the auditors and Internal Audit. The Audit Committee presented Audit Committee report to the Board of Directors every time after the meeting and provided recommendations to the management team, which the management have implemented as appropriate according to the guideline provided by the Audit Committee and SEC.

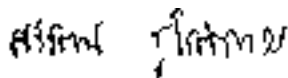
7. Appointment of the company's auditor and remuneration

The consideration and appointment of the auditor and the remuneration was conducted based on the qualification and expertise of the auditors in accordance to the amount of work required for the fiscal year 2022. The Audit Committee proposed to the Board of Directors to appoint EY Office Company Limited who are independent and have acceptable qualifications. They are auditors approved by the SEC. to be the company's Auditor with the following auditors:

Mr. Samran	Taengcham	C.P.A. Registration No. 8021 or
Ms. Nuttira	Pongpinitpinyo	C.P.A. Registration No. 7362 or
Mr. Piya	Chaiyapruerkmalakarn	C.P.A. Registration No. 7544

The Audit Committee believed that, in the year 2022, the company reported financial statements and operations with sufficient internal control and business conduct in compliance with the law and regulations mandated by the SEC. The internal control and risk management is appropriate and effective. The company provided appropriate and sufficient disclosure of the interconnectivity and conducted of business within reliable means and good governance.

For the internal audit of subsidiaries, Cancer Alliance Co., Ltd. (CAH), whose income is less than 30 percent of the total income. Therefore, even in the past year, there has not been any audit of the internal control system of such subsidiary. As at present, the subsidiary operates its business with the ISO9001:2015 quality management system certification, which is an important quality system standard. able to control the internal administration system to a certain extent However, the company recognizes the importance of good internal control system of subsidiaries. In the future, the Company will consider conducting an audit of the subsidiary's internal control system according to the established rules and as deemed appropriate. At present, a company that provides internal audit services for its subsidiaries has been hired. and discussed a rough plan of inspecting and being in the plan of making an appointment for an internal audit on the next scheduled appointment



Ms. Srirat Chuchottaworn

Chairman of the Audit Committee

Business Alignment Public Company Limited

Nomination And Remuneration Committee's Report

The Nomination and Remuneration Committee was established according to the resolution of the company's Board of Directors meeting comprising 5 persons as follow;

- 1) Mr. Vipoota Trakulhoon Independent Director, Chairman of Nomination And Remuneration Committee
- 2) Ms. Srirat Chuchottaworn Independent Director, Nomination And Remuneration Committee
- 3) Mr. Thanawat Lertwattanak Independent Director, Nomination And Remuneration Committee
- 4) Mr. Sompong Chunekitayanone Director, Nomination And Remuneration Committee
- 5) Mr. Voravid Silapusid Director, Nomination and Remuneration Committee

The proportion of Independent Directors is 60% of the Nomination and Remuneration Committee. There will be two (2) meetings of the Nomination and Remuneration Committee in the year 2022.

Nomination and Remuneration Committee set the policy, criteria and method of recruiting and considering remuneration clearly. To comply with relevant regulatory and regulatory requirements, such as the Public Limited Company Act, the Securities and Exchange Act BE.2535, the Articles of Association of the Company and good corporate governance principles. The recruiting and selecting qualified candidates will be consider;

- Must not be prohibited by law and the criteria are strictly defined.
- No overlapping interests or conflict of interest with the company.
- Consider the appropriateness of knowledge, experience, and expertise that are beneficial to companies with experience in the core business or industry in which they operate. The Board of Directors has set up the Board Skill Matrix, which makes the selection of directors consistent with the business direction of the company in business, strategy, law, finance, accounting, international business, information technology. To combine the knowledge and ability to benefit the operation of the company.
- Have integrity, ethics, honesty
- Can allocate time to perform duties properly.

The remuneration of the Board of Directors will consider the responsibilities of the Board of Directors and the performance of the Directors in accordance with their duties and responsibilities, the intention of the Director, type and size of business and considering the criteria in the same industry is used. The remuneration must be at an appropriate level and sufficient to attract and retain qualified directors.

The Nomination and Remuneration Committee has performed its duties with careful judicious and independence as per good corporate governance principles which considering the maximum benefit and important of the company, shareholders and all stakeholders.



Mr. Vipoota Trakulhoon

Chairman of Nomination and Remuneration Committee
Business Alignment Public Company Limited



The Board of Directors’ Duties on Financial Disclosure

The Board of Directors of Business Alignment Public Company Limited understands the responsibility of ensuring integrity, sufficient, relevant and transparent disclosure of the company’s fiscal year 2022 financial statements. Such disclosure abides by the generally accepted accounting principles, ensuring the integrity of the company’s operations/ appropriate accounting policies have been put in place and adhered to on a consistent basis while due consideration has been placed on the process of preparing the company fiscal year 2022 financial statements including other information that has been included in this year’s 56-1One Report.

To enhance stakeholder trust, the Board of Directors appointed an Audit Committee comprising of Independent Directors with qualifications as stipulated by the guidelines of Stock Exchange of Thailand. Ensuring that the company provides sufficient, transparent, correct and appropriate financial disclosure along with information regarding related party transactions is a key function of the committee. Ensuring appropriate, sufficient and effective risk management guidelines, appropriate internal control procedures along with robust internal audit processes are also the functions of the committee. Legal compliance is at the forefront of the Board’s concerns therefore the committee is also charged with ensuring that the company’s operations adheres to all relevant external and internal legal, guidelines and policies.

The Board of Directors believes that the company fiscal year 2022 financial statements ending December 31, 2022, which has been reviewed by the Audit Committee, management and the company’s financial auditor to be correct, complete, appropriate, in compliance with generally accepted accounting practices and employs appropriate accounting policies on a consistent basis. The financial disclosure is deemed to be transparent, provides an appropriate level of disclosure and is in compliance with all the relevant legal, guidelines and policies.



Mr. Sompong Chunekitiyanone
Director & Executive Chairman



Mr. Voravid Silapusid
Director

Financial statements



Independent Auditor's Report

To the Shareholders of Business Alignment Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Business Alignment Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Business Alignment Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Business Alignment Public Company Limited and its subsidiary and of Business Alignment Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.



I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to this matter are described below.

Revenue recognition

Sales of goods and service income are material accounting transactions and directly affect profit or loss of the Group. The Group has entered into agreements with a large number of customers and there are a variety of conditions in the agreements. As a result, conditions relevant to the recognition of revenue from sales and service differ. There are therefore risks with respect to the amount and timing of revenue recognition.

In examining the revenue recognition of the Group, I applied significant audit procedures as follows:

- Assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales and service transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales and service transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Matter

The consolidated financial statements of Business Alignment Public Company Limited and its subsidiary (the Group) and the separate financial statements of Business Alignment Public Company Limited for the year ended 31 December 2021, presented herein as comparative information, were audited by another auditor who, under her report dated 23 February 2022, expressed an unmodified opinion on those financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine this matter that was of most significance in the audit of the financial statements of the current period and are therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Piya Chaipruckmalakarn
Certified Public Accountant (Thailand) No. 7544

EY Office Limited
Bangkok: 22 February 2023

Business Alignment Public Company Limited and its subsidiary

Statements of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	7	233,707,941	323,366,101	195,615,487	302,268,939
Trade and other receivables	8	231,380,519	576,096,745	208,955,345	561,203,445
Inventories	9	316,080,033	311,692,296	314,749,423	310,549,232
Other current financial assets	10	31,592,591	3,190,519	31,592,591	3,190,519
Other current assets	11	143,858,133	88,341,992	143,313,935	87,953,267
Total current assets		956,619,217	1,302,687,653	894,226,781	1,265,165,402
Non-current assets					
Restricted bank deposits	12	79,943,539	114,896,615	79,943,539	114,896,615
Investment in subsidiary	13	-	-	258,900,000	143,000,000
Property, plant and equipment	14	349,484,507	370,090,595	21,432,182	25,996,461
Right-of-use assets	19	3,324,336	5,013,261	2,767,398	4,151,097
Intangible assets	15	1,013,646	1,155,930	877,846	1,007,718
Deferred tax assets	29	14,583,313	12,870,173	12,680,877	10,786,444
Other non-current assets		1,328,500	1,035,441	444,500	444,500
Total non-current assets		449,677,841	505,062,015	377,046,342	300,282,835
Total assets		1,406,297,058	1,807,749,668	1,271,273,123	1,565,448,237

The accompanying notes are an integral part of the financial statements.

Business Alignment Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings from financial institutions	16	91,488,230	115,186,817	91,488,230	115,186,817
Current trade and other payables	17	239,145,591	439,774,651	227,006,118	430,934,906
Current portion of long-term borrowings	18	32,701,196	13,064,742	-	-
Current portion of lease liabilities	19	1,818,433	1,684,301	1,468,102	1,351,049
Income tax payable		18,948,026	45,173,321	18,948,026	45,173,321
Short-term provisions	21	11,265,387	9,833,235	11,265,387	9,833,235
Other current financial liabilities	37	9,831,158	-	9,831,158	-
Total current liabilities		405,198,021	624,717,067	360,007,021	602,479,328
Non-current liabilities					
Non-current trade and other payables	17	70,705,041	87,047,468	70,705,041	87,047,468
Long-term borrowings, net of current portion	18	94,815,222	234,068,264	-	-
Lease liabilities, net of current portion	19	1,826,842	3,637,120	1,572,916	3,059,098
Provision for long-term employee benefits	20	9,834,430	9,539,821	8,294,448	8,223,624
Long-term provisions	21	3,286,285	7,600,000	3,286,285	7,600,000
Total non-current liabilities		180,467,820	341,892,673	83,858,690	105,930,190
Total liabilities		585,665,841	966,609,740	443,865,711	708,409,518

The accompanying notes are an integral part of the financial statements.



Business Alignment Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital	22				
Registered					
660,000,000 ordinary shares of Baht 0.5 each (2021: 440,000,000 ordinary shares of Baht 0.5 each)		<u>330,000,000</u>	<u>220,000,000</u>	<u>330,000,000</u>	<u>220,000,000</u>
Issued and fully paid up					
600,734,989 ordinary shares of Baht 0.5 each (2021: 400,000,000 ordinary shares of Baht 0.5 each)		300,367,495	200,000,000	300,367,495	200,000,000
Share premium	23	225,540,721	222,332,048	225,540,721	222,332,048
Deficit on changes in percentage of shareholding in subsidiary		(7,745,877)	-	-	-
Retained earnings					
Appropriated-statutory reserve	24	28,850,414	22,000,000	28,850,414	22,000,000
Unappropriated		<u>205,754,917</u>	<u>349,156,481</u>	<u>272,648,782</u>	<u>412,706,671</u>
Equity attributable to owners of the Company		752,767,670	793,488,529	827,407,412	857,038,719
Non-controlling interests of the subsidiary		<u>67,863,547</u>	<u>47,651,399</u>	-	-
Total shareholders' equity		<u>820,631,217</u>	<u>841,139,928</u>	<u>827,407,412</u>	<u>857,038,719</u>
Total liabilities and shareholders' equity		<u>1,406,297,058</u>	<u>1,807,749,668</u>	<u>1,271,273,123</u>	<u>1,565,448,237</u>

The accompanying notes are an integral part of the financial statements.

Directors



Business Alignment Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Revenue from sales of goods	25, 32	786,406,976	2,593,116,842	786,558,378	2,593,116,842
Revenue from rendering of services	25, 32	341,031,704	247,460,977	346,366,629	247,460,977
Revenue from construction	25, 32	-	5,231,493	-	5,231,493
Revenue from hospital operations	25, 32	98,139,317	74,954,267	-	-
Gain on exchange		5,582,151	6,998,894	5,582,151	6,998,894
Other income		4,036,469	6,382,602	3,756,373	6,093,489
Total revenues		1,235,196,617	2,934,145,075	1,142,263,531	2,858,901,695
Expenses					
Cost of sales of goods		622,360,378	2,039,011,080	622,360,378	2,039,011,080
Cost of rendering of services		278,373,663	196,135,879	278,373,663	196,135,879
Cost of construction		-	4,823,667	-	4,823,667
Cost of hospital operations		73,086,446	58,846,795	-	-
Selling and distribution expenses		21,093,094	24,745,375	21,057,993	24,228,545
Administrative expenses		59,220,283	60,073,613	42,972,250	49,236,313
Total expenses		1,054,133,864	2,383,636,409	964,764,284	2,313,435,484
Operating profit		181,062,753	550,508,666	177,499,247	545,466,211
Finance cost	27	(14,337,666)	(24,210,421)	(5,659,544)	(14,099,921)
Profit before income tax expenses		166,725,087	526,298,245	171,839,703	531,366,290
Income tax expenses	29	(35,012,716)	(107,828,257)	(34,831,423)	(107,698,916)
Profit for the year		131,712,371	418,469,988	137,008,280	423,667,374
Other comprehensive income					
<i>Item not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain - net of income tax		1,166,420	1,163,939	847,915	693,743
Other comprehensive income for the year		1,166,420	1,163,939	847,915	693,743
Total comprehensive income for the year		132,878,791	419,633,927	137,856,195	424,361,117

The accompanying notes are an integral part of the financial statements.



Business Alignment Public Company Limited and its subsidiary

Statement of comprehensive income (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Profit attributable to:					
Equity holders of the Company		133,429,002	420,331,707	<u>137,008,280</u>	<u>423,667,374</u>
Non-controlling interests of the subsidiaries		<u>(1,716,631)</u>	<u>(1,861,719)</u>		
		<u>131,712,371</u>	<u>418,469,988</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		134,512,520	421,331,077	<u>137,856,195</u>	<u>424,361,117</u>
Non-controlling interests of the subsidiaries		<u>(1,633,729)</u>	<u>(1,697,150)</u>		
		<u>132,878,791</u>	<u>419,633,927</u>		
Earnings per share					
	31				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.22</u>	<u>0.70</u>	<u>0.23</u>	<u>0.71</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.22</u>	<u>0.70</u>	<u>0.22</u>	<u>0.70</u>

The accompanying notes are an integral part of the financial statements.

Business Alignment Public Company Limited and its subsidiary
Statement of changes in shareholders' equity
For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements					Total shareholders' equity
	Equity attributable to owners of the Company		Retained earnings		Non-controlling interests of the subsidiary	
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total equity attributable to owners of the Company	Total
Balance as at 1 January 2021	200,000,000	222,332,048	20,000,000	89,825,404	532,157,452	574,506,001
Profit for the year	-	-	-	420,331,707	420,331,707	418,469,988
Other comprehensive income for the year	-	-	-	999,370	999,370	1,163,939
Total comprehensive income for the year	-	-	-	421,331,077	421,331,077	419,633,927
Investments for capital increase in subsidiary from non-controlling interests	-	-	-	-	-	7,000,000
Transfer to statutory reserve (Note 24)	-	-	2,000,000	(2,000,000)	-	-
Dividend paid (Note 34)	-	-	-	(160,000,000)	(160,000,000)	(160,000,000)
Balance as at 31 December 2021	200,000,000	222,332,048	22,000,000	349,156,481	793,488,529	841,139,928

The accompanying notes are an integral part of the financial statements.





Business Alignment Public Company Limited and its subsidiary
Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements							
	Equity attributable to owners of the Company							
	Issued and paid-up share capital	Deficit on changes in		Retained earnings		Total equity attributable to owners of the Company	Non-controlling interests of the subsidiary	Total shareholders' equity
Share premium		percentage of shareholding in subsidiary	Appropriated - statutory reserve	Unappropriated				
Balance as at 1 January 2022	200,000,000	222,332,048	-	22,000,000	349,156,481	793,488,529	47,651,399	841,139,928
Profit for the year	-	-	-	-	133,429,002	133,429,002	(1,716,631)	131,712,371
Other comprehensive income for the year	-	-	-	-	1,083,518	1,083,518	82,902	1,166,420
Total comprehensive income for the year	-	-	-	-	134,512,520	134,512,520	(1,633,729)	132,878,791
Increase in share capital (Note 22)	385,040	3,208,673	-	-	-	3,593,713	-	3,593,713
Increase in share capital for stock dividend (Note 22, 34)	99,982,455	-	-	-	(99,982,455)	-	-	-
Transfer to statutory reserve (Note 24)	-	-	-	6,850,414	(6,850,414)	-	-	-
Dividend paid (Note 34)	-	-	-	-	(171,081,215)	(171,081,215)	-	(171,081,215)
Investment for capital increase in subsidiary from non-controlling interests	-	-	-	-	-	-	14,100,000	14,100,000
Change in the percentage of shareholding in the subsidiary which not result in a loss of control	-	-	(7,745,877)	-	-	(7,745,877)	7,745,877	-
Balance as at 31 December 2022	300,367,495	225,540,721	(7,745,877)	28,850,414	205,754,917	752,767,670	67,863,547	820,631,217

The accompanying notes are an integral part of the financial statements.



Business Alignment Public Company Limited and its subsidiary
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2022

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings Unappropriated	Total shareholders' equity
Balance as at 1 January 2021	200,000,000	222,332,048	20,000,000	150,345,554	592,677,602
Profit for the year	-	-	-	423,667,374	423,667,374
Other comprehensive income for the year	-	-	-	693,743	693,743
Total comprehensive income for the year	-	-	-	424,361,117	424,361,117
Transfer to statutory reserve (Note 24)	-	-	2,000,000	(2,000,000)	-
Dividend paid (Note 34)	-	-	-	(160,000,000)	(160,000,000)
Balance as at 31 December 2021	200,000,000	222,332,048	22,000,000	412,706,671	857,038,719
Balance as at 1 January 2022	200,000,000	222,332,048	22,000,000	412,706,671	857,038,719
Profit for the year	-	-	-	137,008,280	137,008,280
Other comprehensive income for the year	-	-	-	847,915	847,915
Total comprehensive income for the year	-	-	-	137,856,195	137,856,195
Increase in share capital (Note 22)	385,040	3,208,673	-	-	3,593,713
Increase in share capital for stock dividend (Note 22, 34)	99,982,455	-	-	(99,982,455)	-
Transfer to statutory reserve (Note 24)	-	-	6,850,414	(6,850,414)	-
Dividend paid (Note 34)	-	-	-	(171,081,215)	(171,081,215)
Balance as at 31 December 2022	300,367,495	225,540,721	28,850,414	272,648,782	827,407,412

The accompanying notes are an integral part of the financial statements.



Business Alignment Public Company Limited and its subsidiary

Statement of cash flows

For the year ended 31 December 2022

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities				
Profit before tax	166,725,087	526,298,245	171,839,703	531,366,290
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Written-off other receivable	-	-	-	3,955,603
Depreciation and amortisation	22,708,191	20,348,729	6,348,743	3,764,870
Reduction of inventory to net realisable value	447,290	1,320,554	395,274	1,320,554
Gain on sales of equipment	-	(215,653)	-	(215,653)
Written-off equipment and computer software	9,698	-	9,698	-
Unrealised loss (gain) on exchange rate	8,976,693	(1,862,428)	8,976,693	(1,862,428)
Finance income	(1,264,969)	(915,437)	(1,161,132)	(888,650)
Finance cost	14,337,666	24,210,421	5,659,544	14,099,921
Profit from operating activities before changes in operating assets and liabilities	211,939,656	569,184,431	192,068,523	551,540,507
Operating assets (increase) decrease				
Trade and other receivables	345,257,706	(427,419,387)	352,227,206	(421,270,094)
Construction contracts	-	7,192,219	-	7,192,219
Inventories	(4,835,029)	804,474,718	(4,595,467)	804,551,439
Other current assets	(55,516,141)	(49,381,011)	(55,360,667)	(49,269,235)
Other non-current assets	(293,059)	45,900	-	45,900
Operating liabilities increase (decrease)				
Trade and other payables	(215,572,598)	(412,660,816)	(218,553,081)	(416,442,214)
Provision	(1,208,554)	15,763,522	(1,750,844)	15,042,967
Cash flows from operating activities	279,771,981	507,199,576	264,035,670	491,391,489
Corporate income tax paid	(63,725,505)	(72,357,307)	(63,163,130)	(71,983,440)
Net cash flows from operating activities	216,046,476	434,842,269	200,872,540	419,408,049

The accompanying notes are an integral part of the financial statements.

Business Alignment Public Company Limited and its subsidiary

Statement of cash flows (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Cash flows from investing activities					
Cash received from interest income		1,284,788	1,063,654	1,180,951	1,036,867
Increase in time deposits		(28,402,072)	(414,051)	(28,402,072)	(414,051)
Decrease (increase) in restricted bank deposits	12	34,953,075	(7,581,740)	34,953,075	(7,581,740)
Cash paid to increase subsidiary's capital		-	-	(115,900,000)	(13,000,000)
Acquisitions of equipment and intangible assets		(280,591)	(1,409,008)	(280,591)	(1,380,509)
Proceeds from sales of equipment		-	224,299	-	224,299
Net cash flows from (used in) investing activities		7,555,200	(8,116,846)	(108,448,637)	(21,115,134)
Cash flows from financing activities					
Cash paid for interest expenses		(14,490,748)	(13,558,498)	(6,131,874)	(3,452,015)
Increase in short-term borrowings					
from financial institutions		(23,698,587)	(134,280,325)	(23,698,587)	(134,280,325)
Repayment of long-term borrowings	18	(119,616,588)	(7,383,573)	-	-
Cash paid for principal portion of lease liabilities		(1,676,147)	(1,569,009)	(1,369,128)	(1,276,919)
Cash received from non-controlling interest for subsidiary's capital increase		14,100,000	7,000,000	-	-
Proceeds from increase in share capital		3,593,713	-	3,593,713	-
Dividend paid		(171,084,185)	(159,979,574)	(171,084,185)	(159,979,574)
Net cash flows used in financing activities		(312,872,542)	(309,770,979)	(198,690,061)	(298,988,833)
Net increase (decrease) in cash and cash equivalents					
		(89,270,866)	116,954,444	(106,266,158)	99,304,082
Net foreign exchange difference		(387,294)	(148,698)	(387,294)	(148,698)
Cash and cash equivalents at beginning of year		323,366,101	206,560,355	302,268,939	203,113,555
Cash and cash equivalents at end of year		233,707,941	323,366,101	195,615,487	302,268,939
Supplemental cash flows information					
Non-cash items consist of:					
Increase in share capital for stock dividends	22, 34	99,982,455	-	99,982,455	-
Transfer to statutory reserve	24	6,850,414	-	6,850,414	-

The accompanying notes are an integral part of the financial statements.



Business Alignment Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2022

1. General information

Business Alignment Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The principal activities of the Company are sales of medical equipment including installation and related activities such as construction of building for locating medical equipment, repair and maintenance, and increase efficiency of medical equipment. The registered office of the Company is at 92/45 Sathorn Thani Building 2, 16th Floor, North Sathorn Road, Silom Sub-District, Bangrak District, Bangkok.

On 5 July 2022, The Stock Exchange of Thailand moved the Company’s securities from The Market for Alternative Investment (MAI) to The Stock Exchange of Thailand (SET).

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Business Alignment Public Company Limited (“the Company”) and the following subsidiary company (“the subsidiary”) (collectively as “the Group”):

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			Percent	Percent
Cancer Alliance Company Limited	Hospital business (specialised in cancer treatment)	Thailand	73.97	65.00



- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary is prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investment in subsidiary under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.



4. Significant accounting policies

4.1 Revenue and expense recognition

Revenues from contracts with customers

The Group accounts for a contract with a customer when it has entered into an agreement between counterparties that creates enforceable rights and obligations. The Group has to identify its performance obligations and allocate a transaction price to each obligation on an appropriate basis.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of value added tax (“VAT”). Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time.

The Group principally earns revenue from sales and installation of medical equipment as follows:

Revenue from sales and installation of medical equipment

Revenue from sale and installation of medical equipment is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding undelivered goods, training cost, extend warranty and value added tax.

The service-type warranties provided customers with a service in addition to the assurance that the product complies with agreed-upon specifications are recognised as revenue over the periods in which the service is provided.

Revenue from rendering medical equipment maintenance services

Revenue from rendering medical equipment maintenance services is recognised over time when service have been rendered taking into account the stage of completion, measuring based on a straight-line basis over the contractual term.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivables” in the statement of financial position. The amounts recognised as unbilled receivables are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer is presented under the caption of “Advances received from customers and Deferred revenue” in the statement of financial position. Advances received from customers and Deferred revenue are recognised as revenue when the Group performs under the contract.

Revenues from hospital operations

Revenues from hospital operations, mainly consisting of revenue from medical services, hospital rooms, medicines and medical supplies, are recognised as income when services have been rendered or delivered.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods and work in process are valued at the lower of cost and net realisable value. Costs of inventories are determined as follows:

Medical equipment and work in progress	-	Specific identification
Medicine, medical supplies and other supplies	-	Weighted average
Spare parts and supplies	-	First-in, First-out

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Allowance for diminution in value of inventories is made for obsolete, slow-moving and deteriorated inventories.

4.4 Investment in subsidiary

Investment in subsidiary is accounted for in the separate financial statements using the cost method.

4.5 Property, plant and equipment/ Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and building improvements	-	5, 10, 15, 20, 40 years
Medical equipment	-	5, 10, 15, 20 years
Tools, furniture and office equipment	-	3, 5, 10 years
Vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	10 years

4.7 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all lease, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	5	years
Medical equipment	5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.9 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.10 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.



4.11 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.14 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.



For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.15 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:



5.1 Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognises revenue over time in the following circumstances:

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation measuring based on comparison of actual costs incurred up to the end of the period and total anticipated costs to be incurred to completion.

Determination of transaction price

In determining transaction price, the management is required to use judgement in estimating the variable consideration. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold. The Group include any amount of variable consideration in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

5.2 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

5.3 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
Transactions with subsidiary company					
(eliminated from the consolidated financial statements)					
Income from guaranteeing of credit facilities	-	-	55	55	0.02% per annum
Written-off other receivable	-	-	-	3,956	Market price
Sale and service income	-	-	5,486	-	Contract price
Transactions with related companies					
Sales	32	-	32	-	Market price
Purchases of goods and service	11,517	-	11,517	-	Contract price
Office rental	1,626	1,627	1,626	1,627	Contract price
Other rental expense	748	391	-	-	Market price
Cost of foods	488	370	-	-	Market price
Cost of laundry	427	437	-	-	Contract price
Doctor fee	512	575	-	-	Market price
Software maintenance fee	890	666	-	-	Contract price



As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade and other receivables - related parties (Note 8)				
Subsidiary	-	-	1,630	28
Related companies	76	75	-	-
Total trade and other receivables - related parties	<u>76</u>	<u>75</u>	<u>1,630</u>	<u>28</u>
Other current assets - related party				
Related company	172	-	172	-
Total other current assets - related party	<u>172</u>	<u>-</u>	<u>172</u>	<u>-</u>
Other non-current assets - related parties				
Related companies	409	409	409	409
Total other non-current assets - related parties	<u>409</u>	<u>409</u>	<u>409</u>	<u>409</u>
Trade and other payable - related party (Note 17)				
Related company	936	573	509	88
Total trade and other payable - related party	<u>936</u>	<u>573</u>	<u>509</u>	<u>88</u>
Liabilities under lease agreements - related party				
Related company	3,041	4,410	3,041	4,410
Total liabilities under lease agreements - related party	<u>3,041</u>	<u>4,410</u>	<u>3,041</u>	<u>4,410</u>

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	22,152	23,299	19,115	20,085
Post-employment benefits	1,623	1,347	1,337	1,131
Total	<u>23,775</u>	<u>24,646</u>	<u>20,452</u>	<u>21,216</u>

Significant agreement with related party

On 15 June 2021, the subsidiary entered to into a software service agreement with EIE Informatic Co., Ltd., a related company, whereby the subsidiary is obliged to pay a monthly service. The agreement will expire on 15 June 2024. The fee rate is calculated on a per-patient basis for one-time use, based on the number of encounters that have not been cancelled by the software system.

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiary, as described in Note 18 and 35.3 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	220	314	33	30
Bank deposits	233,488	323,052	195,582	302,239
Total	<u>233,708</u>	<u>323,366</u>	<u>195,615</u>	<u>302,269</u>

As at 31 December 2022, bank deposits carried interests between 0.10 and 0.45 percent per annum (2021: between 0.05 and 0.25 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	179,945	517,115	164,848	508,804
Past due				
Up to 3 months	10,905	9,662	6,347	8,504
3 - 6 months	1,123	4,302	-	3,214
6 - 12 months	1,343	952	35	-
Total	193,316	532,031	171,230	520,522
Unbilled receivables	36,600	43,124	35,891	40,407
Total trade receivable - unrelated parties	229,916	575,155	207,121	560,929
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	-	-	1,602	-
Total trade receivables - related parties	-	-	1,602	-
Total trade receivables	229,916	575,155	208,723	560,929
Other receivables				
Other receivables - related parties	76	75	28	28
Others	1,389	867	204	246
Total other receivables	1,465	942	232	274
Total trade and other receivables	231,381	576,097	208,955	561,203

The normal credit term is 30 to 90 days.

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2022	2021	2022	2021	2022	2021
Medical equipment and work in progress	306,764	197,771	-	-	306,764	197,771
Spare parts and supplies	6,587	11,007	(395)	(1,321)	6,192	9,686
Medicine, medical supplies and other supplies	1,383	1,143	(52)	-	1,331	1,143
Goods in transit	1,793	103,092	-	-	1,793	103,092
Total	316,527	313,013	(447)	(1,321)	316,080	311,692

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2022	2021	2022	2021	2022	2021
Medical equipment and work in progress	306,764	197,771	-	-	306,764	197,771
Spare parts and supplies	6,587	11,007	(395)	(1,321)	6,192	9,686
Goods in transit	1,793	103,092	-	-	1,793	103,092
Total	315,144	311,870	(395)	(1,321)	314,749	310,549

During the current year, the Group reversed the write-down of cost of inventories by Baht 0.9 million (Separate financial statements: Baht 0.9 million), and reduced the amount of inventories recognised as expenses during the year (2021: the Group reduced cost of inventories by Baht 1.3 million (Separate financial statements: Baht 1.3 million), to reflect the net realisable value. This was included in cost of goods sold).



10. Other financial assets

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<i>Debt instruments at amortised cost</i>				
Fixed deposits	31,593	532	31,593	532
Total debt instruments at amortised cost	31,593	532	31,593	532
<i>Financial assets at FVTPL</i>				
Derivative assets	-	2,659	-	2,659
Total financial assets at FVTPL	-	2,659	-	2,659
Total other financial assets	31,593	3,191	31,593	3,191

As at 31 December 2022, fixed deposits carry interests between 0.50 and 0.55 percent per annum (2021: between 0.15 and 0.35 percent per annum).

11. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Prepaid service cost	89,373	46,475	89,373	46,475
Advance for purchase of inventories	28,149	19,415	28,149	19,415
Input tax refundable	21,841	18,065	21,841	18,065
Prepaid expenses	3,208	2,820	2,664	2,431
Undue input tax	1,248	1,561	1,248	1,561
Others	39	6	39	6
Total other current assets	143,858	88,342	143,314	87,953

12. Restricted bank deposits

These represent fixed deposits pledged by the Company with the banks to secure credit facilities and letter of guarantees obtained from the banks.

13. Investment in subsidiary

13.1 Details of investment in subsidiary as presented in separate financial statements

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
			(%)	(%)		
Cancer Alliance Company Limited	350,000	220,000	73.97	65.00	258,900	143,000

Cancer Alliance Company Limited, a subsidiary company, called up the remaining 60 percent of capital increase shares, or equivalent to Baht 30 million. On 5 May 2022, the Company paid, based on its shareholding proportion of 65 percent, Baht 19.5 million for the shares.

On 21 July 2022, the Extraordinary General Meeting of Shareholders of Cancer Alliance Company Limited, a subsidiary company, passed a special resolution to approve an increase in its registered capital from Baht 250 million (2.5 million ordinary shares of Baht 100 each) to Baht 350 million (3.5 million ordinary shares of Baht 100 each) through an issuance of additional 1 million ordinary shares of Baht 100 each to offer to the existing shareholders in proportion to their shareholding. However, some shareholders did not exercise their rights to purchase all shares; therefore, the Company intended to exercise the rights to purchase the remaining shares from such shareholders in the amount of 314,000 shares, representing a capital increase of Baht 31.4 million.

On 25 July 2022, the Company paid Baht 96.4 million (964,000 ordinary shares, called up at Baht 100 per share) for its investment in the subsidiary. As a result, the Company's shareholding in that company increased to 73.97 percent. The transaction was accounted for as follows:

(Unit: Thousand Baht)

	Consolidated financial statements
Cash paid for purchase of investment in subsidiary	31,400
Less: Adjustment to non-controlling interests of the subsidiary	(23,654)
Deficit on changes in percentage of shareholding in subsidiary	<u>7,746</u>

The subsidiary company registered the increase in the share capital with the Ministry of Commerce on 1 August 2022.



13.2 Details of investment in subsidiary that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(%)	(%)				
Cancer Alliance Company Limited	26.03	35.00	68	48	(2)	(2)

13.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that have material non-controlling interests

Summarised information about financial position

(Unit: Million Baht)

	Cancer Alliance Company Limited	
	<u>2022</u>	<u>2021</u>
Current assets	64	38
Non-current assets	340	357
Current liabilities	47	23
Non-current liabilities	97	236

Summarised information about comprehensive income

(Unit: Million Baht)

For the year ended
31 December

	Cancer Alliance Company Limited	
	<u>2022</u>	<u>2021</u>
Revenue	98	79
Loss	(6)	(5)
Total comprehensive loss	(6)	(5)

Summarised information about cash flows

(Unit: Million Baht)

For the year ended
31 December

	Cancer Alliance Company Limited	
	<u>2022</u>	<u>2021</u>
Cash flow from operating activities	15	16
Cash flow from investing activities	116	-
Cash flow from (used in) financing activities	(114)	2
Net increase in cash and cash equivalents	17	18

14. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land	Buildings and building improvements	Medical equipment	Tools, furniture and office equipment	Vehicles	
Cost						
1 January 2021	60,480	232,429	107,822	15,286	3,591	419,608
Additions	-	-	29	820	-	849
Disposals	-	-	-	(83)	(925)	(1,008)
31 December 2021	60,480	232,429	107,851	16,023	2,666	419,449
Additions	-	-	-	281	-	281
Write off	-	-	-	(390)	-	(390)
31 December 2022	60,480	232,429	107,851	15,914	2,666	419,340
Accumulated depreciation						
1 January 2021	-	13,406	9,878	7,106	1,378	31,768
Depreciation for the year	-	7,713	7,761	2,580	535	18,589
Accumulated depreciation on disposals	-	-	-	(79)	(920)	(999)
31 December 2021	-	21,119	17,639	9,607	993	49,358
Depreciation for the year	-	10,217	7,767	2,368	532	20,884
Accumulated depreciation on write off	-	-	-	(387)	-	(387)
31 December 2022	-	31,336	25,406	11,588	1,525	69,855
Net book value						
31 December 2021	60,480	211,310	90,212	6,416	1,673	370,091
31 December 2022	60,480	201,093	82,445	4,326	1,141	349,485
Depreciation for the year						
2021 (Baht 15.1 million included in cost of hospital operations, and the balance in administrative expenses)						18,589
2022 (Baht 15.0 million included in cost of hospital operations, and the balance in administrative expenses)						20,884

(Unit: Thousand Baht)

	Separate financial statements			
	Buildings and building improvement	Tools, furniture and office equipment	Vehicles	Total
Cost				
1 January 2021	29,482	7,634	925	38,041
Additions	-	820	-	820
Disposals	-	(83)	(925)	(1,008)
31 December 2021	29,482	8,371	-	37,853
Additions	-	281	-	281
Write-off	-	(390)	-	(390)
31 December 2022	29,482	8,262	-	37,744
Accumulated depreciation				
1 January 2021	4,789	4,826	917	10,532
Depreciation for the year	1,260	1,061	3	2,324
Accumulated depreciation on disposals	-	(79)	(920)	(999)
31 December 2021	6,049	5,808	-	11,857
Depreciation for the year	3,763	1,079	-	4,842
Accumulated depreciation on write-off	-	(387)	-	(387)
31 December 2022	9,812	6,500	-	16,312
Net book value				
31 December 2021	23,433	2,563	-	25,996
31 December 2022	19,670	1,762	-	21,432
Depreciation for the year				
2021 (included in administrative expenses)				2,324
2022 (included in administrative expenses)				4,842

As at 31 December 2022, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 4 million (2021: Baht 3 million) (Separate financial statements: Baht 3 million, 2021: Baht 3 million).

The subsidiary company has mortgaged its property, plant and equipment amounting to approximately Baht 335 million (2021: Baht 350 million) as collateral against credit facilities received from financial institutions.



15. Intangible assets

The net book value of intangible assets, which is computer software, as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cost	1,369	1,411	1,187	1,229
Less: Accumulated amortisation	(355)	(255)	(309)	(221)
Net book value	<u>1,014</u>	<u>1,156</u>	<u>878</u>	<u>1,008</u>

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	1,156	536	1,008	375
Acquisition	-	691	-	691
Amortisation for the year	(135)	(71)	(123)	(58)
Net book value of written off	(7)	-	(7)	-
Net book value at end of year	<u>1,014</u>	<u>1,156</u>	<u>878</u>	<u>1,008</u>

16. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Promissory note	-	2.30	-	114,511	-	114,511
Trust receipts	2.76 - 8.50	2.75	91,488	676	91,488	676
Total			91,488	115,187	91,488	115,187

Short-term loans from financial institutions are secured by bank deposits and guarantee by certain directors of the Company (free of charge).

17. Trade and other payables

Current trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables - unrelated parties	61,393	209,528	52,886	203,501
Trade payables - related parties	634	131	447	-
Current portion of long-term trade payables	4,502	20,755	4,502	20,755
Total trade payables	66,529	230,414	57,835	224,256
Advances from customers and unearned revenue	160,812	186,355	160,725	186,150
Other payables - related parties	302	442	62	88
Accrued expenses	5,180	3,211	2,552	2,174
Others	6,323	19,353	5,832	18,267
Total other payables	172,617	209,361	169,171	206,679
Total current trade and other payables	239,146	439,775	227,006	430,935

Non-current trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Long-term trade payables				
Due in February and March 2022	-	21,616	-	21,616
Due in February and March 2023	4,636	4,484	4,636	4,484
Total	4,636	26,100	4,636	26,100
Less: Deferred interest expense	(134)	(886)	(134)	(886)
Present value of long-term trade payables	4,502	25,214	4,502	25,214
Less: Current portion	(4,502)	(20,755)	(4,502)	(20,755)
Non-current trade payables - net of current portion	-	4,459	-	4,459
Non-current unearned revenue	70,705	82,588	70,705	82,588
Total non-current trade and other payables	70,705	87,047	70,705	87,047

Long-term trade payables are all future payments discounted using effective interest rate at 3% per annum.

18. Long-term loans

The details of long-term loans from financial institutions of subsidiary as at 31 December 2022 and 2021 were summarised below.

Credit facilities	Period of loan agreement		Repayment of principal	Interest rate	Consolidated	
	Start	End			financial statements	
(million Baht)			(Million Baht per month)	(percent per annum)	2022	2021
160	12 August 2021	11 July 2023	1.35	MLR - 2.25%	61,199	153,174
	12 July 2023	11 July 2025	2.80	MLR - 2.25%		
	12 July 2025	12 June 2028	2.80	MLR - 2%		
	12 July 2028	-	Remaining amount	MLR - 2%		
97	12 August 2021	11 July 2023	0.9	MLR - 2.25%	66,317	93,959
	12 July 2023	11 July 2025	1.8	MLR - 2.25%		
	12 July 2025	11 June 2028	1.8	MLR - 2%		
	12 July 2028	-	Remaining amount	MLR - 2%		
Total long-term loans from financial institutions					127,516	247,133
Less: Current portion					(32,701)	(13,065)
Long-term loans - net of current portion					94,815	234,068



Movements of the long-term loan account during the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2022</u>	<u>2021</u>
Beginning balance	247,133	254,517
Repayments	(119,617)	(7,384)
Ending balance	<u>127,516</u>	<u>247,133</u>

The loans are secured by the mortgage of the subsidiary's property, plant, and medical equipment, and guaranteed by the Company.

Under loan agreement, the Group and the subsidiary's director have to comply with the conditions stipulated in the agreement, such as maintaining of certain debt-to-equity ratio, maintaining the percentage of shareholding in subsidiary and other conditions.

As at 31 December 2022, the long-term credit facilities of the Group which have not been drawn down amounted to Baht 2.4 million (2021: Baht 2.4 million).

19. Leases

The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms 5 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Medical		
	Office building	equipments	Total
1 January 2021	5,535	1,167	6,702
Depreciation for the year	(1,384)	(305)	(1,689)
31 December 2021	4,151	862	5,013
Depreciation for the year	(1,384)	(305)	(1,689)
31 December 2022	<u>2,767</u>	<u>557</u>	<u>3,324</u>

	(Unit: Thousand Baht)	
	Separate financial statements	
	Office building	Total
1 January 2021	5,535	5,535
Depreciation for the year	(1,384)	(1,384)
31 December 2021	4,151	4,151
Depreciation for the year	(1,384)	(1,384)
31 December 2022	2,767	2,767

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Lease payments	3,902	5,882	3,268	4,903
Less: Deferred interest expenses	(257)	(561)	(227)	(493)
Total	3,645	5,321	3,041	4,410
Less: Portion due within one year	(1,818)	(1,684)	(1,468)	(1,351)
Lease liabilities - net of current portion	1,827	3,637	1,573	3,059

Movements of the lease liabilities account during the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Balance at beginning of year	5,321	6,890	4,410	5,687
Repayments	(1,676)	(1,569)	(1,369)	(1,277)
Balance at end of year	3,645	5,321	3,041	4,410

A maturity analysis of lease payments is disclosed in Note 37.2 to consolidated financial statement under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	1,689	1,689	1,384	1,384
Interest expense on lease liabilities	294	402	257	350
Expense relating to short-term leases	293	110	293	110
Expense relating to leases of low-value assets	52	52	52	52

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 2.3 million (2021: Baht 2.1 million) (Separate financial statements: Baht 2.0 million, 2021: Baht 1.8 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Provision for long-term employee benefits at beginning of year	9,540	9,388	8,224	8,204
Included in profit or loss:				
Current service cost	1,447	1,667	935	970
Interest cost	226	154	196	131
Included in other comprehensive income:				
Actuarial gain arising from				
Demographic assumptions changes	(542)	(454)	(539)	(287)
Financial assumptions changes	(365)	(636)	(263)	(569)
Experience adjustments	(472)	(365)	(259)	(11)
Benefits paid during the year	-	(214)	-	(214)
Provision for long-term employee benefits at end of year	<u>9,834</u>	<u>9,540</u>	<u>8,294</u>	<u>8,224</u>

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 11 years (2021: 14 years) (Separate financial statements: 11 years, 2021: 14 years).

Significant actuarial assumptions are summarised below.

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate	2.8 - 2.9	2.3 - 2.4	2.9	2.4
Salary increase rate	3.0 - 5.7	3.6 - 5.6	5.0 - 5.7	5.0 - 5.6
Turnover rate	0.0 - 12.0	0.0 - 9.1	0.0 - 7.0	0.0 - 5.5

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below.

(Unit: Million Baht)

	2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.62)	0.70	(0.54)	0.61
Salary increase rate	0.62	(0.56)	0.55	(0.49)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	Turnover rate	(0.23)	0.25	(0.20)

(Unit: Million Baht)

	2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.74)	0.86	(0.66)	0.76
Salary increase rate	0.78	(0.69)	0.69	(0.61)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	Turnover rate	(0.24)	0.26	(0.20)

21. Provisions

	(Unit: Thousand Baht)
	Consolidated financial statements and Separate financial statements
	<u>Maintenance warranties</u>
1 January 2021	3,277
Increase during the year	16,200
Utilised	(1,590)
Reversal of provisions	(454)
31 December 2021	17,433
Increase during the year	4,500
Utilised	(5,214)
Reversal of provisions	(2,167)
31 December 2022	<u>14,552</u>

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements and Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>
Current	11,266	9,833
Non-current	3,286	7,600
	<u>14,552</u>	<u>17,433</u>

Maintenance warranties

The Company recognised a provision for expected warranty claims on medical equipment sold during the last two years, based on frequency of maintenance for each type of medical equipment. The Company expects most of these costs to be incurred in the next financial year and all to have been incurred within two years of the reporting date.

22. Share capital

22.1 Registered share capital

On 18 October 2021, the Annual General Meeting of the Company's shareholders passed the resolutions approving the increase in its registered share capital for Baht 20 million (40 million ordinary shares of Baht 0.50 each) from Baht 200 million (400 million ordinary shares of Baht 0.50 each) to new registered capital of Baht 220 million (440 million ordinary shares of Baht 0.50 each) to accommodate the exercise of the warrants (BIZ-W1). The Company registered the increase in the share capital with the Ministry of Commerce on 26 October 2021.

On 8 April 2022, the Annual General Meeting of the Company's shareholders passed the resolutions approving the increase in its registered share capital for Baht 110 million (220 million ordinary shares of Baht 0.50 each) from Baht 220 million (440 million ordinary shares of Baht 0.50 each) to new registered capital of Baht 330 million (660 million ordinary shares of Baht 0.50 each) to accommodate stock dividends and adjustment of the exercise of the warrants (BIZ-W1). The Company registered the increase in the share capital with the Ministry of Commerce on 11 April 2022.

22.2 Issued and paid-up share capital

Movements of the issued and paid-up share capital account for the years ended 31 December 2022 and 2021 were summarised below.

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	200,000	200,000
Increase in share capital for stock dividends	99,982	-
Exercise of the warrants (BIZ-W1)	385	-
Balance at end of year	<u>300,367</u>	<u>200,000</u>

22.3 Warrant

On 18 October 2021, the Annual General Meeting of the Company's shareholders passed the resolutions approving the allocation of free warrants to purchase the Company's newly issued ordinary shares (BIZ-W1) not exceeding 40,000,000 units to the Company's existing shareholders.



On 3 November 2021, the Company allocated 39,999,633 warrants (BIZ-W1), without any cost, to existing shareholders. Details of the warrants are as follows:

Exercise ratio	1 unit of warrant to 1 new ordinary share (the exercise ratio may be changed in accordance with the adjustment provisions of the warrants).
Exercise price	Baht 7 per share (the exercise price may be changed in accordance with the adjustment provisions of the warrants).
Term of warrants	3 November 2021 to 2 November 2022.
Exercise date	2 May 2022 and 2 November 2022.

If the exercise date falls on the Company's holiday or on the Stock Exchange of Thailand's holiday, the last exercise date shall be postponed.

The Stock Exchange of Thailand accepted the Company's warrants as listed securities in the Market for Alternative Investment; and to be trade starting 24 November 2021.

On 8 April 2022, the Annual General Meeting of the Company's shareholders passed the resolutions approving the adjustment to the exercise of the warrants (BIZ-W1) whereby the exercise price and the exercise ratio of warrants (BIZ-W1) have been changed due to the effect of stock dividends issuance as follows:

Warrant	Exercise price		Exercise ratio	
	Old	New	Old	New
	(Baht per unit)		(Warrant: ordinary shares)	
BIZ-W1	7	4.66667	1:1	1:1.5

On 2 November 2022, 304,136 BIZ-W1 warrants were converted, leaving 39,486,247 unexercised BIZ-W1 warrants. However, the exercise period for the BIZ-W1 expired on 2 November 2022 and they were delisted on 3 November 2022.

23. Share premium

Pursuant to Section 51 of the Public Limited Company Act B.E. 2535, in case the Company intends to offer share for sale at a price higher than the registered par value, the Company is required to appropriate the amount in excess of the par value to the surplus reserve fund. Share premium is not available for dividend distribution.

24. Statutory reserve

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Balance as at 1 January	22,000	20,000
Transfer during the year	6,850	2,000
Balance as at 31 December	<u>28,850</u>	<u>22,000</u>

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

25. Revenue from contracts with customers

25.1 Disaggregated revenue information

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Type of goods or service:				
Sales of goods	786,407	2,593,117	786,558	2,593,117
Rendering of services	341,032	247,461	346,367	247,461
Construction	-	5,231	-	5,231
Hospital operations	98,139	74,954	-	-
Total revenue from contracts with customers	<u>1,225,578</u>	<u>2,920,763</u>	<u>1,132,925</u>	<u>2,845,809</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Timing of revenue recognition:				
Revenue recognised at a point in time	888,448	2,685,420	790,460	2,610,466
Revenue recognised over time	337,130	235,343	342,465	235,343
Total revenue from contracts with customers	<u>1,225,578</u>	<u>2,920,763</u>	<u>1,132,925</u>	<u>2,845,809</u>



25.2 Revenue recognised in relation to contract balances

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue recognised during the year that was included in contract liabilities at the beginning of the year	109,720	2,429	109,720	2,429

25.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2022, revenue totaling Baht 1,390 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) (2021: Baht 1,203 million) (Separate financial statements: Baht 1,390 million, 2021: Baht 1,203 million). The Group expects to satisfy these performance obligations within 1 year.

26. Contract balances

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Unbilled receivables (Note 8)	36,600	43,124	35,891	40,407
Unearned revenue (Note 17)	231,517	268,943	231,430	268,738

The balance of unbilled receivables as at 31 December 2022 and 2021, aged on the basis of period until they are expected to be billed to customers in the future, can be summarised as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Period to expected billing				
In up to 3 months	26,830	259	26,121	259
In over 3 and up to 12 months	9,770	42,865	9,770	40,148
Total unbilled receivables	<u>36,600</u>	<u>43,124</u>	<u>35,891</u>	<u>40,407</u>

27. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Interest expenses on borrowings	8,778	13,132	137	3,079
Interest expenses on lease liabilities	294	407	257	350
Interest from discounting non-current accounts payable	285	578	285	578
interest from discounting advances received from customers and deferred revenue	4,981	10,093	4,981	10,093
Total	14,338	24,210	5,660	14,100

28. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cost of goods sold	621,965	2,039,011	621,965	2,039,011
Cost of service	302,999	185,101	268,046	185,101
Construction cost	-	4,824	-	4,824
Drugs, medical supplies and other materials used	5,899	4,801	-	-
Doctor fee	11,195	7,090	-	-
Salaries and wages and other employee benefits	40,630	51,245	29,176	34,734
Remuneration for directors and executives	23,775	24,646	20,452	21,216
Advertising and promotion expenses	967	1,618	2,088	1,101
Rental expense	650	720	615	329
Utility expense	12,947	3,886	676	672
Depreciation and amortisation	22,708	20,349	6,349	3,765

29. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Current income tax charge	36,938	110,574	36,938	110,574
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,925)	(2,746)	(2,107)	(2,875)
Income tax expense reported in profit or loss	<u>35,013</u>	<u>107,828</u>	<u>34,831</u>	<u>107,699</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax on actuarial gains	212	291	212	173

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit before tax	166,725	526,298	171,840	531,366
Applicable tax rate	Exempt and 20%	Exempt and 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	33,345	105,260	34,368	106,273
Effects of:				
Non-deductible expenses	1,004	2,001	483	1,491
Others	99	131	(20)	(65)
Total	1,103	2,132	463	1,426
Tax losses of subsidiary not recognised	565	436	-	-
Income tax expense reported in profit or loss	<u>35,013</u>	<u>107,828</u>	<u>34,831</u>	<u>107,699</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets				
Allowance for diminution in value of				
inventories	79	264	79	264
Unearned revenue	5,660	5,298	6,013	5,395
Provision for long-term employee benefits	1,922	1,908	1,659	1,645
Other provision	2,910	3,487	2,910	3,487
Unrealised fair value loss on foreign exchange				
forward contracts	1,966	-	1,966	-
Unrealised gain on sales of medical equipment	1,992	1,918	-	-
Others	59	57	59	57
Total	14,588	12,932	12,686	10,848
Deferred tax liabilities				
Trade payables with interest component	(5)	(62)	(5)	(62)
Total	(5)	(62)	(5)	(62)
Deferred tax liabilities - net	14,583	12,870	12,681	10,786

As at 31 December 2022, the subsidiary has unused tax losses totaling Baht 82.9 million (2021: Baht 80.0 million), on which deferred tax assets have not been recognised as the subsidiary believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax losses are summarised as below.

(Unit: Million Baht)

	Consolidated	
	financial statements	
	<u>2022</u>	<u>2021</u>
31 December 2022	6.1	6.1
31 December 2023	30.0	30.0
31 December 2024	41.7	41.7
31 December 2025	2.2	2.2
31 December 2026	2.9	-
	82.9	80.0



30. Promotional privileges

The subsidiary has received promotional privileges from the Board of Investment for the specialised cancer center, pursuant to the investment promotion certificate No. 61-0839-1-18-1-0 issued on 18 July 2018. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues (3 October 2019) and a 50% reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period ends.

The subsidiary's operating revenues for the years ended 31 December 2022 and 2021, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Promoted operations		Non-promoted operations		Total	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Hospital operations	75,304	61,798	22,835	13,156	98,139	74,954

31. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year. The number of ordinary shares is adjusted as if the stock dividend had occurred at the beginning of the year reported. As a result, the 2021 earnings per share was adjusted to give a comparative result.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued. The number of ordinary shares is adjusted as if the stock dividend had occurred at the beginning of the year reported. As a result, the 2021 diluted earnings per share was adjusted to give a comparative result.

The following table sets forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
Profit for the year		Weighted average		Earnings		
		number of ordinary shares		per share		
<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the parent						
133,429	420,332	600,316	599,965	0.22	0.70	
Effect of dilutive potential ordinary shares						
Warrant (BIZ-W1)						
-	-	9,978	1,831			
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares						
<u>133,429</u>	<u>420,332</u>	<u>610,294</u>	<u>601,796</u>	0.22	0.70	

Separate financial statements						
Profit for the year		Weighted average		Earnings		
		number of ordinary shares		per share		
<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the parent						
137,008	423,667	600,316	599,965	0.23	0.71	
Effect of dilutive potential ordinary shares						
Warrant (BIZ-W1)						
-	-	9,978	1,831			
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares						
<u>137,008</u>	<u>423,667</u>	<u>610,294</u>	<u>601,796</u>	0.22	0.70	

32. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have 2 reportable segments as follows:

Segment 1 Sales of medical equipment including installation and related activities such as construction of building for locating medical equipment, repair and maintenance, and increase efficiency of medical equipment

Segment 2 Hospital operations (specialised in cancer treatment)

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit and total assets/total liabilities information regarding the Group's operating segments for the years ended 31 December 2022 and 2021.

(Unit: Thousand Baht)

	For the year ended 31 December							
	Segment 1		Segment 2		Eliminations		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from external customers	1,132,925	2,845,809	98,139	74,954	(5,486)	-	1,225,578	2,920,763
Depreciation and amortisation	6,349	3,765	17,240	17,465	(881)	(881)	22,708	20,349
Interest expense	5,660	14,100	8,678	10,110	-	-	14,338	24,210
Profit (loss) before income tax income (expenses)	171,840	531,366	(5,652)	(5,463)	537	395	166,725	526,298
Income tax income (expenses)	(34,831)	(107,699)	-	144	(182)	(273)	(35,013)	(107,828)
Profit (loss) for the year	137,009	423,667	(5,652)	(5,319)	355	122	131,712	418,470
Segment total assets	1,271,273	1,565,448	404,268	394,743	(269,244)	(152,441)	1,406,297	1,807,750
Segment total liabilities	443,866	708,410	143,773	258,596	(1,973)	(396)	586,666	966,610



Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2022, the Group has revenue from three major customers in amount of Baht 657 million, arising from sales of medical equipment including installation and related activities segment (2021: the Group has revenue from one major customer in amount of Baht 1,387 million, arising from sales of medical equipment including installation and related activities segment).

33. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 - 8 percent of basic salary. The fund, which is managed by AIA Investment Management (Thailand) Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 1 million (2021: Baht 1 million) were recognised as expenses.

34. Dividends

On 8 April 2022, the Annual General Meeting of the Company's shareholders passed the resolutions approving the payment of dividend in respect of profit for the year 2021 of Baht 0.9277777775 per share, or a total of Baht 371,111,111, to its shareholders. The Company paid an interim dividend of Baht 0.25 per share, or a total of Baht 100 million, in December 2021, and is to pay the remaining Baht 0.6777777775 per share, or a total of Baht 271,111,111 in the form of common stock and cash as follows:

1. Distributed dividend in the form of common stock at the rate of 2 existing ordinary shares to 1 stock dividend of Baht 100 million (200 million shares at Baht 0.50 per share). If any shareholder has any fraction of the existing shares after dividend share appropriation, the dividend shall be paid in cash instead of dividend shares at Baht 0.25 per share.
2. Distributed dividend in the form of cash of Baht 171,111,111 (400 million shares at Baht 0.4277777775 per share)

The Company paid dividends on 5 May 2022.

On 9 April 2021, the Annual General Meeting of the Company's shareholders passed the resolution approving the payment of a dividend from the operating results for the year ended 31 December 2020 at the rate of Baht 0.15 per share, totaling Baht 60 million. The Company has already paid the dividend on 22 April 2021.



On 24 November 2021, a meeting of the Board of Directors of the Company passed the resolution approving the payment of an interim dividend from the operating results for the period as from 1 January 2021 to 30 September 2021 at the rate of Baht 0.25 per share, totaling Baht 100 million. The Company has already paid the dividend on 21 December 2021.

35. Commitments and contingent liabilities

35.1 Contractual commitments

The Company entered into two distribution agreements with an overseas company. Under the agreements, the Company was appointed the exclusive distributor for Radiotherapy products and Brachytherapy products (including licensed software) in Thailand and Cambodia; and shall use its best efforts to purchase the products not less than the minimum amounts specified in the agreements. The agreements are effective up to 30 September 2023. The agreements may be early terminated by either party giving the other a notice in writing at least thirty days in advance.

35.2 Lease commitments

As at 31 December 2022, the subsidiary has future lease payments required under short-term leases of Baht 1 million (2021: Baht 1 million).

35.3 Guarantees

- (1) The Company has guaranteed bank credit facilities of its subsidiary amounting to Baht 277 million (2021: Baht 277 million).
- (2) As at 31 December 2022, the Group has outstanding bank guarantees amounting to approximately Baht 331 million (2021: Baht 511 million) (Separate financial statements: Baht 331 million (2021: Baht 511 million)) issued by banks on behalf of the Group, in respect of certain performance bonds and others as required in the normal course of business of the Group.

36. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements/ Separate financial statements			
	2022		2021	
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Derivatives				
Forward contract	-	-	-	3
Liabilities measured at fair value				
Derivatives				
Forward contract	-	10	-	-

37. Financial instruments

37.1 Derivatives

(Unit: Million Baht)

	Consolidated financial statements/Separate financial statements	
	<u>2022</u>	<u>2021</u>
Derivative assets		
Foreign exchange forward contracts	-	3
Total derivative assets	<u>-</u>	<u>3</u>
Derivative liabilities		
Foreign exchange forward contracts	10	-
Total derivative liabilities	<u>10</u>	<u>-</u>

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 to 9 months.

37.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other accounts receivable, and short-term and long-term loans from financial institution. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade receivables, deposits with financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Most of the Group's trade receivables are government agencies that are creditworthy and have low credit risk.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee.

The credit risk on cash deposits and other financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are 2 types of market risk comprising foreign currency risk and interest rate risk. The Group enters into derivatives to manage its risk exposure by foreign exchange forward contracts to hedge the foreign currency risk arising on the import of goods.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. Mostly the Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements/Separate financial statements		Average exchange rate as at 31 December	
	2022 (Million)	2021 (Million)	2022 (Baht per 1 foreign currency unit)	2021
Financial assets				
US dollar	0.48	0.58	34.3913	33.2469
Financial liabilities				
US dollar	0.83	6.0	34.7335	33.5929
Euro	0.01	-	37.2053	38.2813

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2022 and 2021. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Consolidated financial statements/Separate financial statements			
	2022		2021	
	Change in FX rate	Effect on profit before tax	Change in FX rate	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Financial asset				
US dollar	+5	825	+5	956
	- 5	(825)	- 5	(956)
Financial liability				
US dollar	+5	1,442	+5	9,986
	- 5	(1,442)	- 5	(9,986)

As at 31 December 2022 and 2021, the Company had outstanding forward exchange contracts, of which details are presented below.

Consolidated financial statements/Separate financial statements			
Currency	Amount bought	Maturity date	Contractual exchange rate
	(Million)		(Baht per 1 foreign currency unit)
31 December 2022			
US dollar	10.8	February - June 2023	34.0500 - 38.1455
31 December 2021			
US dollar	6,7	January - May 2022	32.8700 - 33.0800

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its deposits with financial institutions, short-term and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2022

	Fixed interest rates		Floating	Non- interest	Total
	Within 1 year	1-5 years	interest rate	bearing	
Financial assets					
Cash and cash equivalent	41	-	176	17	234
Trade and other receivables	-	-	-	231	231
Other current financial assets	32	-	-	-	32
Other non-current financial assets	58	7	15	-	80
	<u>131</u>	<u>7</u>	<u>191</u>	<u>248</u>	<u>577</u>
Financial liabilities					
Short-term loans from financial institutions	91	-	-	-	91
Trade and other payables	-	-	-	310	310
Long-term loans	-	-	128	-	128
Derivatives liabilities	-	-	-	10	10
	<u>91</u>	<u>-</u>	<u>128</u>	<u>320</u>	<u>539</u>

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2021

	Fixed interest	Floating	Non-	Total
	rates within 1 year	interest rate	interest bearing	
Financial assets				
Cash and cash equivalent	36	241	46	323
Trade and other receivables	-	-	576	576
Restricted bank deposits	98	17	-	115
Derivatives assets	-	-	3	3
	<u>134</u>	<u>258</u>	<u>625</u>	<u>1,017</u>
Financial liabilities				
Short-term loans from financial institutions	115	-	-	115
Trade and other payables	-	-	527	527
Long-term loans	-	247	-	247
	<u>115</u>	<u>247</u>	<u>527</u>	<u>889</u>



(Unit: Million Baht)

Separate financial statements

As at 31 December 2022

	Fixed interest rates		Floating	Non- interest	Total
	Within 1 year	1-5 years	interest rate	bearing	
Financial assets					
Cash and cash equivalent	41	-	139	16	196
Trade and other receivables	-	-	-	209	209
Other current financial assets	32	-	-	-	32
Restricted bank deposits	58	7	15	-	80
	<u>131</u>	<u>7</u>	<u>154</u>	<u>225</u>	<u>517</u>
Financial liabilities					
Short-term loans from financial institutions	91	-	-	-	91
Trade and other payables	-	-	-	298	298
Derivatives liabilities	-	-	-	10	10
	<u>91</u>	<u>-</u>	<u>-</u>	<u>308</u>	<u>399</u>

(Unit: Million Baht)

Separate financial statements

As at 31 December 2021

	Fixed interest	Floating	Non-	Total
	rates within	interest rate	interest	
	1 year		bearing	
Financial assets				
Cash and cash equivalent	36	220	46	302
Trade and other receivables	-	-	561	561
Restricted bank deposits	98	17	-	115
Derivatives assets	-	-	3	3
	<u>134</u>	<u>237</u>	<u>610</u>	<u>981</u>
Financial liabilities				
Short-term loans from financial institutions	115	-	-	115
Trade and other payables	-	-	518	518
	<u>115</u>	<u>-</u>	<u>518</u>	<u>633</u>

Effective interest rates of financial assets and liabilities were separately shown in related notes to financial statements.



Liquidity risk

The Group monitors the risk of a shortage of liquidity through loans from financial institutions and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	As at 31 December 2022		
	Less than		
	1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	92,019	-	92,019
Trade and other payables	239,146	70,705	309,851
Lease liabilities	2,009	1,893	3,902
Long-term loans	38,643	100,014	138,657
Total non-derivatives	371,817	172,612	544,429
Derivatives			
Derivative liabilities: net settled	9,831	-	9,831
Total derivatives	9,831	-	9,831

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	As at 31 December 2021		
	Less than		
	1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	116,068	-	116,068
Trade and other payables	439,775	87,047	526,822
Lease liabilities	1,949	3,933	5,882
Long-term loans	21,141	245,657	266,798
Total non-derivatives	578,933	336,637	915,570



(Unit: Thousand Baht)

	Separate financial statements		
	As at 31 December 2022		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	92,019	-	92,019
Trade and other payables	227,006	70,705	297,711
Lease liabilities	1,634	1,634	3,268
Total non-derivatives	320,659	72,339	392,998
Derivatives			
Derivative liabilities: net settled	9,831	-	9,831
Total derivatives	9,831	-	9,831

(Unit: Thousand Baht)

	Separate financial statements		
	As at 31 December 2021		
	Less than 1 year	1 to 5 years	Total
Non-derivatives			
Short-term loans from financial institutions	116,068	-	116,068
Trade and other payables	430,935	87,047	517,982
Lease liabilities	1,616	3,287	4,903
Total non-derivatives	548,619	90,334	638,953

37.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.



38. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2022, the Group's debt-to-equity ratio was 0.71:1 (2021: 1.15:1) and the Company's was 0.54:1 (2021: 0.83:1).

39. Event after the reporting period

On 22 February 2023, a meeting of the Company's Board of Directors passed a resolution to propose the payment of a dividend of Baht 0.20 per share or a total of Baht 120.15 million from the Company's 2022 operating result. This will be proposed to the 2023 Annual General Meeting of the Company's shareholders for approval.

40. Reclassification

Certain amounts in the prior year's statement of financial position have been reclassified to conform to the current year's classification. The reclassification are as follows:

(Unit: Thousand Baht)

Consolidated statement of financial position
as at 31 December 2021

	As previously reported	Reclassified	As Reclassified
Statement of financial position			
Trade and other receivables	664,439	(88,342)	576,097
Other current assets	-	88,342	88,342
Deferred tax assets	12,932	(62)	12,870
Deferred tax liabilities	(62)	62	-
Other current financial assets	96,274	(93,683)	3,191
Other non-current financial assets	21,813	(21,813)	-
Restricted bank deposits	-	114,896	114,896

(Unit: Thousand Baht)

Separate statement of financial position
as at 31 December 2021

	As previously		As
	reported	Reclassified	Reclassified
Statement of financial position			
Trade and other receivables	649,157	(87,953)	561,204
Other current assets	-	87,953	87,953
Deferred tax assets	10,848	(62)	10,786
Deferred tax liabilities	(62)	62	-
Other current financial assets	96,274	(93,683)	3,191
Other non-current financial assets	21,813	(21,813)	-
Restricted bank deposits	-	114,896	114,896

The reclassifications had no effect to previously reported profit or shareholders' equity.

41. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2023.





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