

Ref. BIZ 011/2023

August 7, 2023

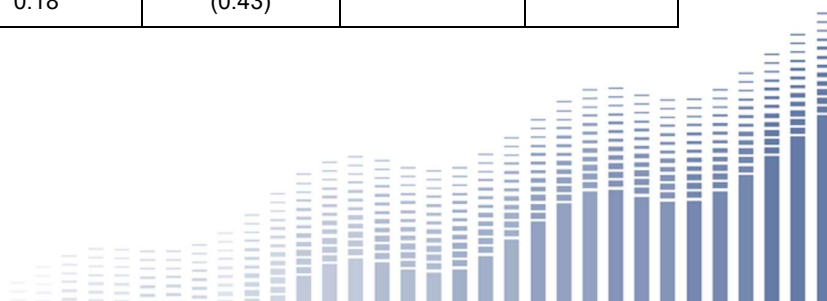
Subject: Management Discussion and Analysis for the three-month period ended June 30, 2023

**To: President
The Stock Exchange of Thailand**

Business Alignment Public Company Limited (“the Company”) and its subsidiary would like to submit this Management Discussion and Analysis of the Company’s operation for the three-month period ended June 30, 2023, detailed as follows:

Statement of comprehensive income for the three-month period ended June 30, 2023

Statement of comprehensive income	Ended June 30, 2023	Ended June 30, 2022	Increase (Decrease)	
	Million baht	Million baht	Million baht	%
Revenue from sales of goods	190.11	114.49	75.62	66.05%
Revenue from rendering of services	111.08	81.24	29.84	36.72%
Revenue from hospital operations	26.47	23.94	2.53	10.59%
Income from business operation	327.66	219.67	107.99	49.16%
Gain on exchange rate	6.81	1.75	5.06	289.76%
Other income	2.32	0.99	1.33	134.04%
Total other income	9.13	2.74	6.39	233.46%
Total revenue	336.79	222.41	114.38	51.43%
Cost of sales of goods	153.62	88.15	65.47	74.28%
Cost of rendering of services	94.06	64.84	29.22	45.07%
Cost of hospital operations	19.51	18.19	1.32	7.25%
Gross profit	60.47	48.49	11.98	24.69%
Selling and distribution expenses	6.08	3.44	2.64	76.50%
Administrative expenses	12.19	12.42	(0.23)	(1.84%)
Earnings before interest & tax	51.33	35.37	15.96	45.13%
Interest expenses	2.95	3.78	(0.83)	(21.96%)
Earnings before tax	48.38	31.59	16.79	53.15%
Tax expenses	9.82	6.96	2.86	41.01%
Net profit (Loss)	38.56	24.63	13.93	56.59%
Profit attributable to:				
Equity holders of the Company	38.38	25.06	13.32	53.16%
Non-controlling interest	0.18	(0.43)		



The consolidated financial statement of the Company and its subsidiary for the three-month period ended June 30, 2023, reported the revenue of 336.79 million baht and the net profit attributable to equity holder of the Company of 38.38 million baht, details as follows:

Revenue from business operation

For the three-month period ended June 30, 2023, the Company and its subsidiary had the revenues from sales, rendering of services, and hospital operations totaling 327.66 million baht which was increased by 107.99 million baht or 49.16 percent over the same period last year, details as follows:

1. Revenue from sales of goods

For the three-month period ended June 30, 2023, the Company and its subsidiary had the sales revenue of 190.11 million baht, an increase of 75.62 million baht or 66.05 percent compared to the same period last year. This increase was due to the delivery of one large-scale project, which had a higher value than the project delivered during the same period last year.

2. Revenue from rendering of services

For the three-month period ended June 30, 2023, the Company and its subsidiary had the rendering of services revenue of 111.08 million baht, an increase of 29.84 million baht or 36.72 percent compared to the same period last year. This increase was due to the higher maintenance service contracts compared to the same period last year.

3. Revenue from hospital operations

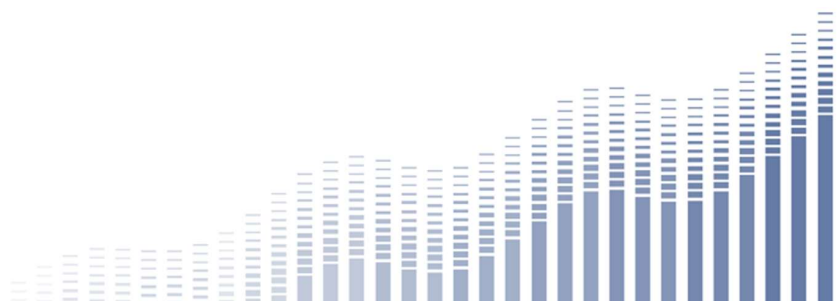
Revenue from hospital operations referred to the income generated by the Company's subsidiary (Cancer Alliance Company Limited) from operating a specialized hospital for cancer treatment. For the three-month period ended June 30, 2023, the subsidiary had revenue from hospital operations of 26.47 million baht, which increased by 2.53 million baht or 10.59 percent compared to the same period last year, due to an increase in the number of the hospital's customer.

Other revenue

For the three-month period ended June 30, 2023, the Company and its subsidiary had other revenue of 9.13 million baht, an increase of 6.39 million baht or 233.46 percent compared to the same period last year, due to the gain on exchange rate.



Oncology Solutions Provider



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

For the three-month period ended June 30, 2023, the Company and its subsidiary had a gross profit from sales of 36.49 million baht, which was equivalent to a gross profit margin of 19.19 percent. This was similar to the same period last year, which was 23.01 percent.

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

For the three-month period ended June 30, 2023, the Company and its subsidiary had a gross profit from rendering of services of 17.02 million baht, which was equivalent to a gross profit margin of 15.32 percent compared to the same period last year which was 20.19 percent. This decrease was due to a delay in the renewal maintenance service contract process with some hospitals compared to the previous year.

Cost of hospital operations and gross profit margin from hospital operations

For the three-month period ended June 30, 2023, the Company and its subsidiary had a gross profit from hospital operations of 6.97 million baht, which was equivalent to a gross profit margin of 26.31 percent. This was similar to the same period last year, which was 24.02 percent.

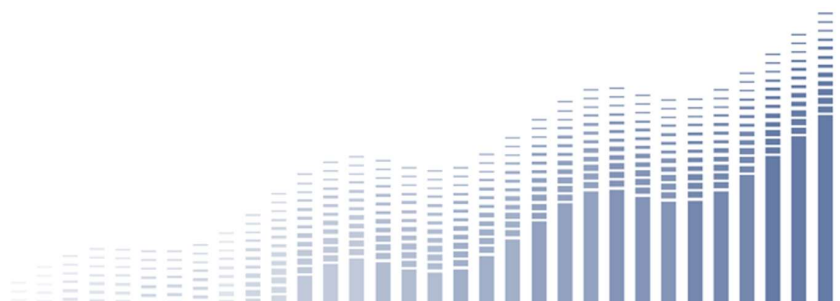
Selling and distribution expenses and administrative expenses

For the three-month period ended June 30, 2023, the Company and its subsidiary had the selling and distribution expenses of 6.08 million Baht, increasing by 2.64 million Baht or 76.50 percent compared to the previous year. This increase was due to human resources and marketing expenses.

For the three-month period ended June 30, 2023, the Company and its subsidiary had the administrative expenses of 12.19 million baht. This was similar to the same period last year which was 12.42 million baht.

Finance cost

For the three-month period ended June 30, 2023, the Company and its subsidiary had a financial cost of 2.95 million baht, a decrease of 0.83 million baht or 21.96 percent due to a decrease in an interest payment on long-term loans of the subsidiary.



Net profit and net profit margin

For the three-month period ended June 30, 2023, the Company and its subsidiary had a net profit attributable to equity holder of the Company of 38.38 million baht, which was equivalent to a net profit margin of 11.40 percent. This was similar to the same period last year which was 25.06 million baht or equivalent to a net profit margin of 11.27 percent.

For the three-month period ended June 30, 2023, the subsidiary had a net profit of 0.72 million baht. The Company recognized a gain from the subsidiary based on the shareholding proportion (73.97 percent).

Please be informed accordingly.

Yours Sincerely,



(Mr. Sompong Chunekitiyanone)

Chief Executive Officer

Business Alignment Public Company Limited



Oncology Solutions Provider

