

Ref. BIZ 013/2023

November 13, 2023

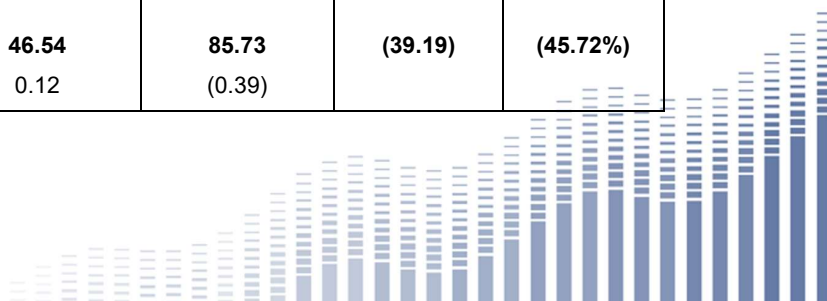
Subject: Management Discussion and Analysis for the three-month period ended September 30, 2023

**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 September 30, 2023, detailed as follows:

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

Statement of comprehensive income	Ended September 30, 2023	Ended September 30, 2022	Increase (Decrease)	
	Million baht	Million baht	Million baht	%
Revenue from sales of goods	292.30	308.02	(15.72)	(5.10%)
Revenue from rendering of services	103.46	89.03	14.43	16.21%
Revenue from hospital operations	26.22	26.28	(0.06)	(0.22%)
Income from business operation	421.98	423.33	(1.35)	(0.32%)
Gain on exchange rate	1.35	29.74	(28.39)	(95.48%)
Other income	0.61	0.93	(0.32)	(34.58%)
Total other income	1.96	30.67	(28.71)	(93.62%)
Total revenue	423.94	454.00	(30.06)	(6.62%)
Cost of sales of goods	242.04	233.22	8.82	3.78%
Cost of rendering of services	85.37	72.38	12.99	17.95%
Cost of hospital operations	19.21	18.86	0.35	1.83%
Gross profit	75.36	98.87	(23.51)	(23.77%)
Selling and distribution expenses	4.17	5.01	(0.84)	(16.70%)
Administrative expenses	11.73	13.98	(2.25)	(16.13%)
Earnings before interest & tax	61.42	110.55	(49.13)	(44.44%)
Interest expenses	2.96	3.13	(0.17)	(5.49%)
Earnings before tax	58.46	107.42	(48.96)	(45.57%)
Tax expenses	11.80	22.08	(10.28)	(46.56%)
Net profit (Loss)	46.66	85.34	(38.68)	(45.32%)
<u>Profit attributable to:</u>				
Equity holders of the Company	46.54	85.73	(39.19)	(45.72%)
Non-controlling interest	0.12	(0.39)		



The consolidated financial statement of the Company and its subsidiary for the three-month period ended September 30, 2023, reported the revenue of 423.94 million baht and the net profit attributable to equity holder of the Company of 46.54 million baht, details as follows:

Revenue from business operation

For the three-month period ended September 30, 2023, the Company and its subsidiary had the revenues from sales, rendering of services, and hospital operations totaling 421.98 million baht which was decreased by 1.35 million baht or 0.32 percent over the same period last year, details as follows:

1. Revenue from sales of goods

For the three-month period ended September 30, 2023, the Company and its subsidiary had the sales revenue of 292.30 million baht, an decrease of 15.72 million baht or 5.10 percent compared to the same period last year. The decrease was due to the project delivery, which had a lower value than the same period last year.

2. Revenue from rendering of services

For the three-month period ended September 30, 2023, the Company and its subsidiary had the rendering of services revenue of 103.46 million baht, an increase of 14.43 million baht or 16.21 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

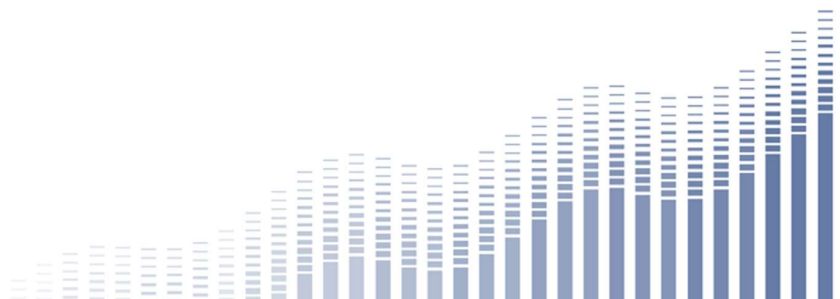
Revenue from hospital operations referred to the income generated by the Company's subsidiary (Cancer Alliance Company Limited) from operating a specialized hospital for cancer treatment. For the three-month period ended September 30, 2023, the subsidiary had revenue from hospital operations of 26.22 million baht. This was similar to the same period last year, which was 26.28 million baht.

Other revenue

For the three-month period ended September 30, 2023, the Company and its subsidiary had other revenue of 1.96 million baht, a decrease of 28.71 million baht or 93.62 percent compared to the same period last year. This decrease was due to the gain on exchange rate.



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

For the three-month period ended 30 September 2023, the Company and its subsidiary had a gross profit from sales of 50.26 million baht or equivalent to gross profit margin of 17.19 percent. This was lower than the gross profit margin from sales in the previous year, which was 24.28 percent. The decrease in gross profit margin was due to the normal gross profit margin of the large-scale project delivery.

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

For the three-month period ended September 30, 2023, the Company and its subsidiary had a gross profit from rendering of services of 18.10 million baht, or equivalent to gross profit margin of 17.49 percent. This was similar to the same period last year, which was 18.70 percent.

Cost of hospital operations and gross profit margin from hospital operations

For the three-month period ended September 30, 2023, the Company and its subsidiary had a gross profit from hospital operations of 7.01 million baht, which was equivalent to a gross profit margin of 26.74 percent. This was similar to the same period last year, which was 28.22 percent.

Selling and distribution expenses and administrative expenses

For the three-month period ended September 30, 2023, the Company and its subsidiary had the selling and distribution expenses of 4.17 million Baht. This was similar to the same period last year, which was 5.01 million baht.

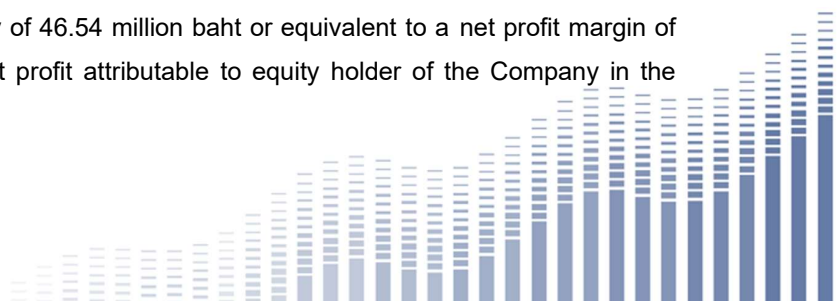
For the three-month period ended September 30, 2023, the Company and its subsidiary had the administrative expenses of 11.73 million baht. This was similar to the same period last year, which was 13.98 million baht.

Finance cost

For the three-month period ended September 30, 2023, the Company and its subsidiary had a financial cost of 2.96 million baht. This was similar to the same period last year, which was 3.13 million baht.

Net profit and net profit margin

For the three-month period ended September 30, 2023, the Company and its subsidiary had a net profit attributable to equity holder of the Company of 46.54 million baht or equivalent to a net profit margin of 10.98 percent. This was lower than the net profit attributable to equity holder of the Company in the

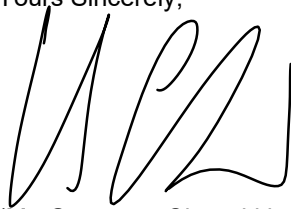


previous year, which was 85.73 million baht or equivalent to a net profit margin of 18.88 percent. The decrease was due to the lower gross profit margin from sales.

For the three-month period ended September 30, 2023, the subsidiary had a net profit of 0.49 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



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