

**B|A**  
Business Alignment



**Form 56-1 One Report 2023**  
Business Alignment PCL.



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Financial Statements

This Form 56-1 (One Report) referred to the disclosed information on the Company's website which is an integral part of Form 56-1 (One Report). The Board certified the correctness and completeness of such referred information.



## Message from Chairman




Over the past 23 years, Business Alignment Public Company Limited (“the Company”) has distributed and installed medical equipment for radiotherapy treatment and maintenance service. The Company has consistently strived to make modern technology, comparable to that of developed countries accessible, aligning with its vision.

In 2023, normalcy began to return. World and Thailand’s economy recovered consistently following the COVID-19 pandemic situation. The primary goal of the Board remains centered on ensuring the Company’s long-term stability and sustainable growth. Policies are in place to expand the customer base, exercise cost control, manage liquidity, and ensure ongoing personnel development. These strategies are devised while considering stakeholders, society, and the environmental impact.

The Board of Directors has determined to drive the Company towards transparency and ethically grounded values of integrity and auditability. While the Corporate Governance Committee hasn’t been established, the Board closely supervises the business in accordance with the Corporate Governance policy, ensuring compliance with principles of information disclosure and transparency, shareholders’ rights, equal treatment of shareholders, stakeholder importance, social responsibility, and sustainable development. Based on the Corporate Governance Report of Thai Listed Companies 2023 conducted by the Thai Institute of Directors (IOD), the Company was scored in the “Excellent” level.

On behalf of the Board of Directors, I would like to express the gratitude to the shareholders for entrusting the Company’s operations and the valued supporters who have consistently supported us, alongside the Management and dedicated employees. Their collective commitment and diligence in performing duties are integral to fostering stability and ensuring the Company’s sustainable development. This unity enables us to continually progress and achieve both short-term and long-term objectives.



**Mr. Woodtipong Moleechad**  
Chairman of the Board



## Message from Chief Executive Officer



During the past 3-4 years, both globally and in Thailand, there have been significant impacts from the COVID-19 pandemic on various aspects of society and the economy. Business Alignment Public Company Limited (“the Company” or “BIZ”), has unavoidably felt these impacts. However, BIZ remains committed to being a center for the development of cancer treatment in collaboration with hospitals, medical professionals, and other healthcare personnel. In particular, BIZ is focused on improving the quality of life for cancer patients through radiation therapy and providing access to advanced treatment technologies available in developed countries. This commitment is evident in the “HRH Princess Maha Chakri Sirindhorn Proton Center, Chulalongkorn Hospital,” where BIZ is responsible for construction and installation of equipment for radiation therapy. The center has been providing cancer treatment through proton beam therapy for approximately 2 years, marking the first and only proton therapy machine in Thailand and the first in the ASEAN region to offer such services ahead of neighboring countries.

In 2023, the Company continued to focus on its core strength as a “**Solution Provider**” in cancer treatment through radiation therapy. This involves not only supplying modern medical radiation equipment but also providing consultation services to hospitals. This includes designing radiation therapy facilities, overseeing construction, installing equipment, training, and providing maintenance services. This ensures that hospitals are confident in providing cancer patients with high-quality radiation therapy. For the operating results, the Company had a total revenue of 1,698.40 million baht. The revenue was derived from sales of goods worth 1,148.65 million baht, service rendering of 437.29 million baht, and hospital operations of 103.03 million baht. The net profit attributable to equity holder of the Company was 201.18 million baht, resulting in a net profit margin of 11.85 %.

“BIZ” operates with a management approach that emphasizes ethics, integrity, and transparency. It focuses on developing the capabilities of its personnel to enhance efficiency and expertise. Additionally, it maintains close and continuous coordination with manufacturers to ensure that the Company’s output meets customers’ expectations in terms of quality and standards, thus ensuring maximum customer satisfaction. The Company has established a policy for its employees to strive for excellence in delivering services that go “**Beyond The Best**” to our customers, which forms the foundation for the sustainable growth of the business in the future.

Finally, as the CEO, I am confident that with the fundamental strategies laid down by the Company, the wholehearted cooperation of the Management, all employees, as well as stakeholders, including shareholders, suppliers, customers, financial institutions, and all involved parties who have consistently entrusted and supported the Company, will drive the Company’s growth and align with the Company’s vision. I express my sincere gratitude to all stakeholders mentioned above and assure you that the Company will conduct its business with ethics to create value and ensure sustainability, in line with the trust you have placed in me and the Company.



**Mr. Sompong Chunekitiyanone**  
Chief Executive Officer



## Board of Directors

as at December 31, 2023



**Mr. Woodtipong Moleechad**  
Chairman of the Board and Independent Director



**Ms. Srirat Chuchottaworn**  
Independent Director

**Mr. Vipoota Trakulhoon**  
Independent Director

**Mr. Thanawat Lertwattanak**  
Independent Director



**Mr. Sompong Chunekitayanone**  
Director

**Mr. Voravid Silapusid**  
Director

**Mr. Noppadol Suntanaphanich**  
Director



## Management

as at December 31, 2023



**Mr. Sompong Chunekitiyanone**  
Chief Executive Officer and  
Acting Chief Operating Officer



**Mr. Voravid Silapusid**  
Chief Financial Officer



**Mr. Noppadol Suntanaphanich**  
Chief Quality Officer



**Ms. Sukanlaya Khamnuan**  
Deputy Chief Financial Officer





## Financial Highlights

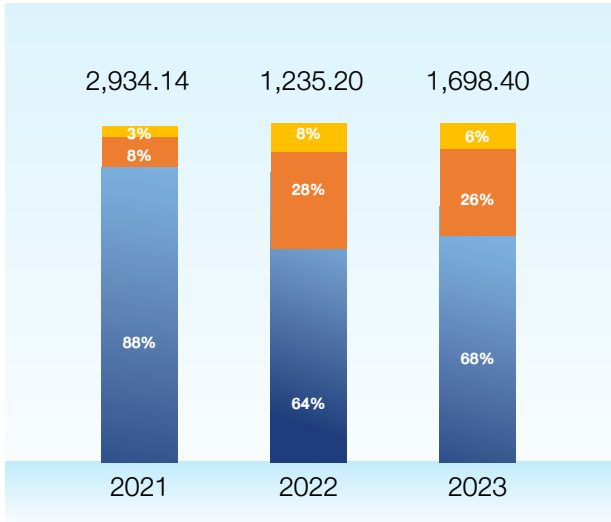
(Unit : Million Baht)

	2021	2022	2023
Total Assets	1,807.75	1,406.30	1,477.54
Total Liabilities	966.61	585.67	575.30
Total Equity Attributable to Owners of the Company	793.49	752.77	834.05
Revenue from Sales and Services	2,920.76	1,225.58	1,688.97
Total Revenues	2,934.14	1,235.20	1,698.40
Gross Profit	621.94	251.76	333.15
Profit before Tax	526.30	166.72	251.72
Profit Attributable to Equity Holders of the Company	420.33	133.43	201.18
<b>Financial Ratio</b>			
Current Ratio (Time)	2.09	2.36	2.87
Gross Profit Margin (%)	21.29	20.54	19.73
Operating Profit Margin (%)	18.39	13.99	15.04
Net Profit Margin (%)	14.33	10.80	11.85
Return on Total Assets (%)	21.89	8.30	13.95
Return on Equity (%)	63.42	17.26	25.36
Debt to Equity Ratio (Time)	1.15	0.71	0.64
Earning per Share (Baht)	0.70	0.22	0.33
Book Value per Share (Par Value Baht 0.50 per Share)	1.98	1.37	1.50



### Total Revenue

1,698.40 Million Baht

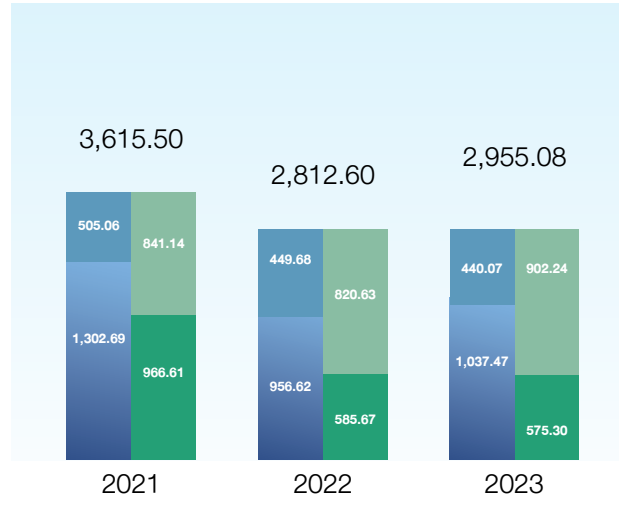


- Revenues from Sales
- Revenues from Services
- Revenues from Hospital
- Other Revenues



### Statement of Financial Position

2,955.08 Million Baht

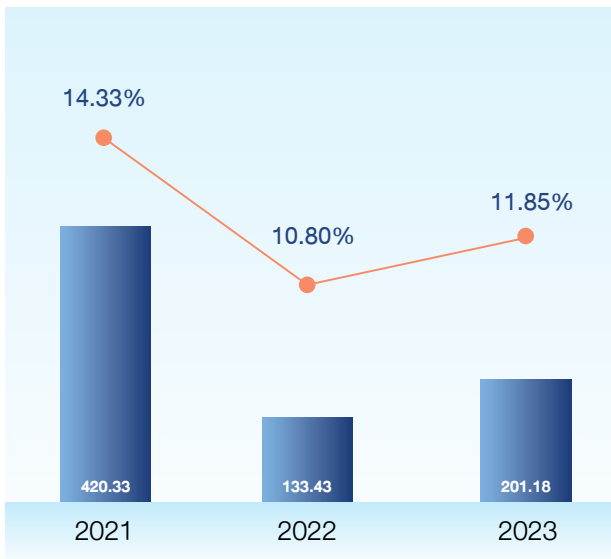


- Current Assets
- Non-Current Assets
- Liabilities
- Shareholders' Equity



### Net Profit Attributable to Equity Holder and Net Profit Margin

201.18 Million Baht (11.85%)

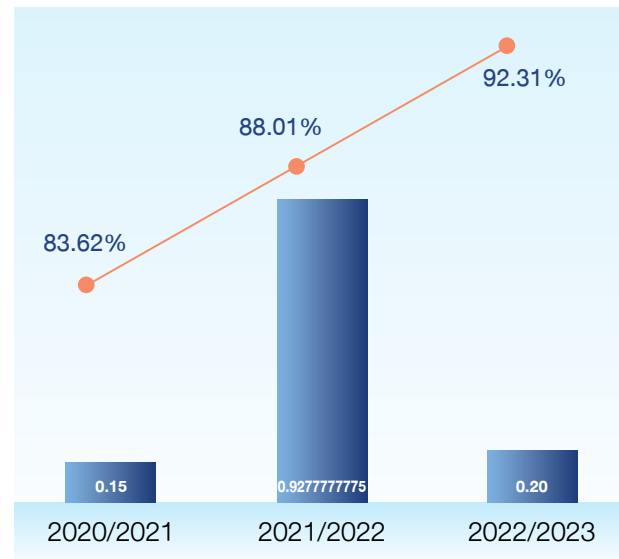


- Net Profit Attributable to Equity Holder
- Net Profit Margin



### Dividend

0.20 Baht per Share (92.31%)



- Dividend per Share (Baht)
- Dividend Payout Ratio (%)

Year of Performance/Year of Dividend Payment



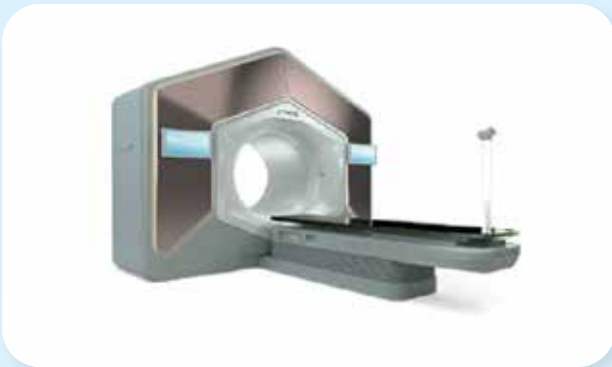
## Images of Linear Accelerators



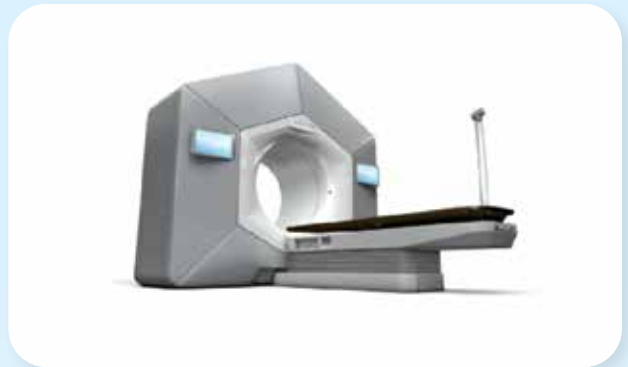
LINAC : True Beam



LINAC : Vital Beam



LINAC : ETHOS



LINAC : Halcyon



Brachytherapy Afterloader



Cyclotron Probeam Therapy



### VISION

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To be a leader in distributing and providing medical and healthcare services, particularly in the treatment and prevention of cancer, in order to make modern technology comparable to that of developed countries accessible.

### MISSION

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1. **To import, distribute,** and provide medical services, including medical products, in order to enable doctors and related medical professions to treat patients with modern technology, and to facilitate patients in accessing such technology.
2. **To be a hub to develop** a treatment in collaboration with hospitals, doctors, and medical professions, particularly in cancer, to provide a quality of life comparable to that of developed countries.
3. To administer and manage **under the corporate governance** and medical ethics, in order to ensure effective and efficient management and operations.
4. To create **the highest level of satisfaction** for all stakeholders, both directly and indirectly, in terms of quality, price, delivery, and international-level services.
5. To look for and expand businesses related to healthcare and public health to prevent and **encourage to have the quality of life**, as well as to increase income and profitability.

### CORE VALUE

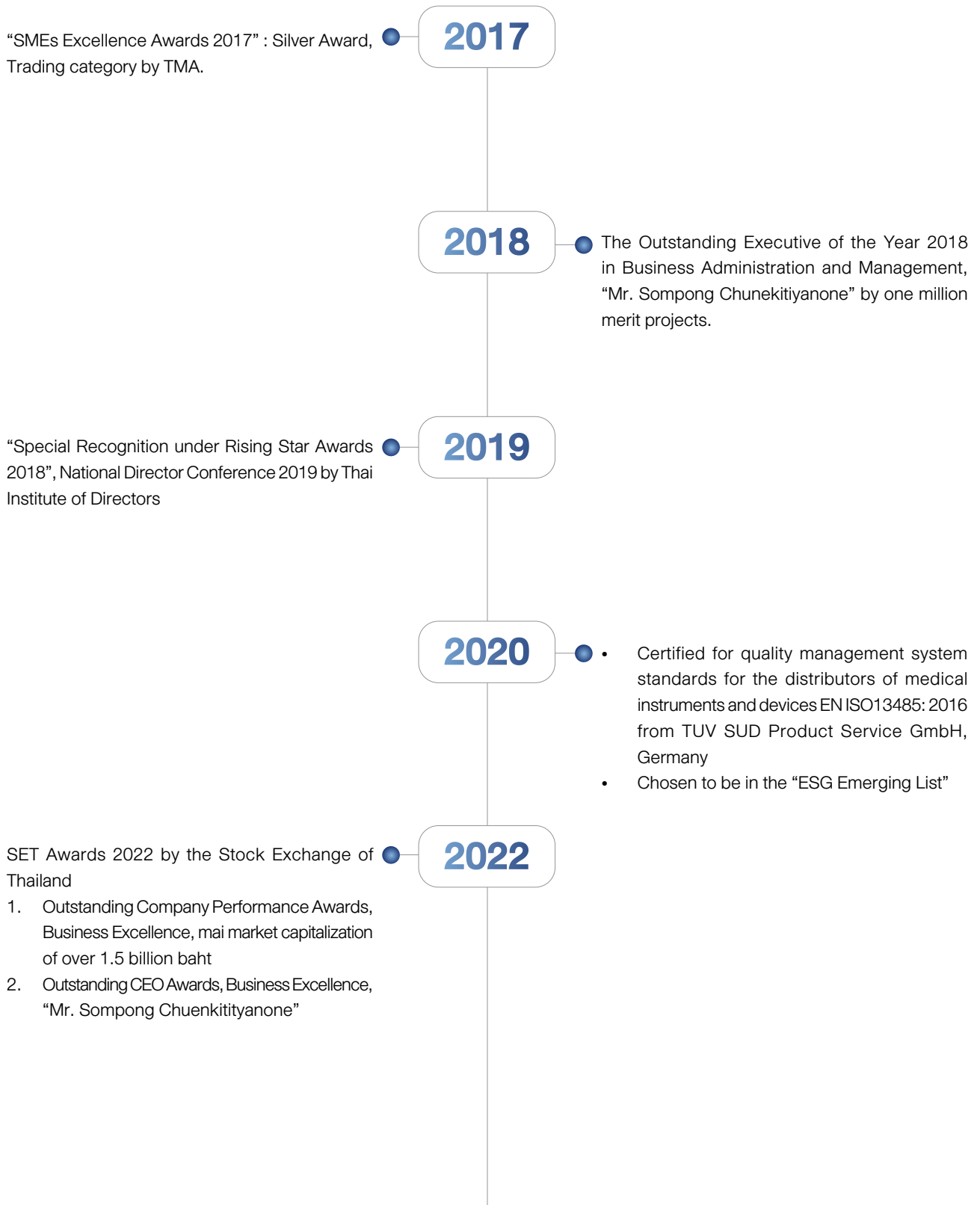
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- |          |  |          |  |
|----------|--|----------|--|
| <b>B</b> | <b>Beyond the Best</b><br>Every time you act, make sure you can do "MORE" with the word "BEST" every time. | <b>O</b> | <b>Openness</b><br>Openness increases credibility and is the key to success.               |
| <b>A</b> | <b>Accountability</b><br>Responsibility is the basis of success.   | <b>N</b> | <b>Never Give Up</b><br>The secret of success is that we never give up.                    |
|          |  | <b>E</b> | <b>Expertise</b><br>Expertise is about knowing and understanding more than "just knowing". |

## Milestone



## Awards



## General Information

<b>Issuing company</b>	:	Business Alignment Public Company Limited
<b>Security symbol</b>	:	BIZ
<b>Registration number</b>	:	0107559000079
<b>Head Office</b>	:	No. 92/45, Sathorn Thani 2 Building, 16th Floor, Sathorn Nua Road, Silom, Bangrak, Bangkok 10500 Thailand
<b>Telephone</b>	:	+66 2636 6828-9
<b>Facsimile</b>	:	+66 2236 3167
<b>Type of Business</b>	:	Distribute and install medical equipment for radiotherapy treatment and maintenance service
<b>Website</b>	:	<a href="http://www.bizalignment.com">www.bizalignment.com</a>
<b>Registered Capital</b>	:	Baht 330,000,000.00
<b>Paid-up Capital</b>	:	Baht 300,367,494.50
<b>Divided into Ordinary</b>	:	600,734,989 shares
<b>Shares Par Value</b>	:	Baht 0.50

### Obligations Committed by the Company in the Registration Statement

-None-



## Long-term Goal

Apart from being a distributor and installer of high-quality medical equipment and software systems, including tools related to cancer treatment through radiotherapy, the Company continues to look for and expand businesses related to healthcare and public health for being a leader in the treatment and prevention of cancer, in order to make modern technology comparable to that of developed countries accessible including encourage to have the quality of life.

The establishment of a specialized hospital focused on cancer, providing consultation and patient referral services, in order to offer treatment services in both radiotherapy and chemotherapy. The hospital aims to prioritize the quality of the treatment to meet the standards and the expertise of specialized doctors, as well as efficiency and safety in accordance with global standards. It is a new business that the Company has undertaken to enhance a long-term business which expand the scope of business beyond the distribution and installation of medical equipment for radiotherapy. Additionally, it also provides more opportunities and options to patients as well as mitigating risks. The expansion will provide opportunities in terms of income and generate a more stable cash flow. By operating the hospital officially on October 1, 2019, the Company aims to achieve the hospital's operating results within 3-5 years. In line with the Company's vision, the aim is to make modern technology comparable to that of developed countries accessible. It is estimated that another branch of the hospital will be opened in another region within 5 years. However, the Company will closely study the feasibility of this project.

With the advancement of Next Generation Sequencing (NGS) technology, which is highly accurate and secure, it is now possible to access, examine, and uncover the secrets linked to each individual's unique genetic code. This enables the evaluation of personal lifestyle factors such as diet, exercise, and skincare to determine cancer risk. This cancer gene screening provides valuable insights into the potential for cancer. Moreover, it allows for more effective healthcare planning. This not only empowers individuals to understand their own risk of cancer but also facilitates health planning for their families and making lifestyle changes to mitigate other associated risks.

In this regard, the aforementioned is an expansion of its business related to cancer, an area in which the company specializes, and it is part of the Company's long-term business strategy to enhance the potential for the sales stability.





## Revenue Structure

### The Company's revenue is categorized as follows:

1. Sales revenue : selling and installation of the medical equipment
2. Service revenue : maintenance service for the medical equipment and genetic testing
3. Construction revenue : the building construction for the installation of the radiation machine
4. Hospital operations revenue : the Company's subsidiary (Cancer Alliance Company Limited) operates a specialized hospital for cancer treatment.

	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenue	2,593.12	88.38	786.41	63.67	1,148.65	67.63
Service Revenue - Radiation Machine <sup>/1</sup>	247.35	8.43	339.49	27.48	435.35	25.63
Service Revenue - Gene Screening Service <sup>/1</sup>	0.11	0.00	1.54	0.12	1.94	0.11
Construction Revenue <sup>/2</sup>	5.23	0.18	0.00	0.00	0.00	0.00
Hospital Operations Revenue <sup>/3</sup>	74.95	2.55	98.14	7.95	103.03	6.07
<b>Total Revenue from Sales, Service and Construction</b>	<b>2,920.76</b>	<b>99.54</b>	<b>1,225.58</b>	<b>99.22</b>	<b>1,688.97</b>	<b>99.44</b>
Other Revenue <sup>/4</sup>	13.38	0.46	9.62	0.78	9.43	0.56
<b>Total Revenue</b>	<b>2,934.14</b>	<b>100.00</b>	<b>1,235.20</b>	<b>100.00</b>	<b>1,698.40</b>	<b>100.00</b>

**Remark:** <sup>/1</sup> It consists of: 1) radiological equipment service, which offers repair, maintenance, and software system upgrades for radiation machine and related equipment, and 2) cancer gene screening service.

<sup>/2</sup> The building construction for the installation of the radiation machine which began and completed in 2021.

<sup>/3</sup> The Company's subsidiary (Cancer Alliance Company Limited) operates a specialized hospital for cancer treatment. The hospital's services include cancer diagnosis and screening, radiation therapy, chemotherapy, medical cannabis, elderly care, as well as nutritional and dietary services for cancer patients.

<sup>/4</sup> Interests, profits gained from currency exchange, gain from adjustment of provisions and other income.

## Sales, Service and Construction Revenue Breakdown by Customer Types

	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Public Hospitals</b>	<b>2,793.11</b>	<b>95.63</b>	<b>933.09</b>	<b>76.14</b>	<b>1,158.41</b>	<b>68.59</b>
1.1 Medical School-Affiliated Hospitals <sup>1</sup>	2,044.09	69.99	587.37	47.93	397.68	23.55
1.2 Cancer Hospitals <sup>2</sup>	99.09	3.39	223.14	18.21	267.83	18.56
1.3 General Hospitals <sup>3</sup>	649.93	22.25	122.58	10.00	492.90	29.18
<b>2. Private Hospitals<sup>4</sup></b>	<b>12.52</b>	<b>0.43</b>	<b>110.34</b>	<b>9.00</b>	<b>22.37</b>	<b>1.32</b>
<b>3. Others<sup>5</sup></b>	<b>115.13</b>	<b>3.94</b>	<b>182.15</b>	<b>14.86</b>	<b>508.19</b>	<b>30.09</b>
<b>Total Sales, Service and Construction Revenue</b>	<b>2,920.76</b>	<b>100.00</b>	<b>1,225.58</b>	<b>100.00</b>	<b>1,688.97</b>	<b>100.00</b>

**Remark:** <sup>1</sup> Hospitals are affiliated with faculties of medicine at universities, which are under the responsibility of the Ministry of Higher Education, Science, Research, and Innovation, providing medical services at the 'super tertiary care' level. They are well-equipped resources because they are considered institutes for education and research.

<sup>2</sup> Hospitals are under the Medical Department, focusing on developing expertise in oncology.

<sup>3</sup> Hospitals under the Ministry of Public Health, whether provincial, regional, or district hospitals, provide medical services at the tertiary care or super tertiary care level.

<sup>4</sup> Hospitals are operated by the private sector, either as a limited company or a public limited company.

<sup>5</sup> Organizations or entities that are not hospitals or healthcare facilities, such as the Department of Medical Sciences, the Synchrotron Light Research Institute, private companies, individuals, revenue from hospital operations, and sales occurring in Cambodia.

## Sales Revenue Breakdown by Product and Job Types

	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Teletherapy Projects and Brachytherapy Projects <sup>1</sup>	2,363.72	91.15	695.09	88.39	1,116.33	97.18
Equipment and System <sup>2</sup>	83.72	3.23	54.23	6.89	15.14	1.32
Others <sup>3</sup>	145.68	5.62	37.09	4.72	17.18	1.50
<b>Total Sales Revenue</b>	<b>2,593.12</b>	<b>100.00</b>	<b>786.41</b>	<b>100.00</b>	<b>1,148.65</b>	<b>100.00</b>

**Remark:** <sup>1</sup> A project work which includes the value of other equipment. However, the key equipment is the teletherapy machines and brachytherapy machines.

<sup>2</sup> Advanced technology tools or systems, such as radiation therapy simulation machines, treatment planning systems, and radiotherapy patients database system, which can be either a project work or a one-time sale.

<sup>3</sup> The equipment which is a part of the key equipment such as applicators for afterloaders, batteries etc., or a group of equipment for the treatment process such as the quality assurance and pretreatment verification tool, gafchromic film etc.





## Product Information

Business Alignment Public Company Limited (“the Company” or “BIZ”) operates the business as a distributor and installer of medical equipment for cancer treatment through radiotherapy by importing the equipment from leading manufacturers specializing in equipment and technology of cancer treatment. Maintenance services is also provided for the aforementioned medical equipment. The Company’s main customer is university-affiliated hospitals, cancer hospitals under the Department of Medical Services, Ministry of Public Health, other government hospitals, healthcare agencies, and private hospitals.

The Company is the treatment delivery exclusive distributor of Thailand for Varian, a Siemens Healthineers Company which is a globally recognized and trusted manufacturer of advanced medical equipment and software systems for cancer treatment. The Company has been entrusted as the exclusive distributor for over 20 years, providing treatment delivery, treatment planning system, oncology information system, quality assurance software for treatment plans. In addition, the Company has other international suppliers such as IBA Dosimetry GmbH in Germany, Thermo Fisher Scientific Inc. in USA, Xstrahl Limited in UK, Deltabit Oy in Finland, Vision RT Ltd. in UK, Computerized Imaging Reference Systems, Inc. (CIRS) in USA, Radiation Product Design, Inc. in USA, and Ashland Inc. in USA. These suppliers provide high-quality and widely accepted equipment by medical professions both domestically and internationally.

The Company’s main product is treatment delivery, particularly Linear Accelerator, which is the essential equipment used in cancer treatment through teletherapy. This equipment is significant and valuable. Additionally, the Company acts as a Solution Provider, taking responsibility for sourcing comprehensive equipment and services to ensure efficient utilization of treatment delivery. Therefore, the Company’s role includes sourcing since the construction, upgrading radiation rooms to meet standards, and sourcing other necessary equipment to complement treatment delivery for enhancing the treatment process. The aforementioned equipment includes a CT simulator, a treatment planning system, an oncology information system, a quality assurance and pretreatment verification tool, as well as other accessory equipment. The Company also provides maintenance service to maintain the performance and longevity of the treatment delivery and related equipment.

The Company’s products and service are categorised by revenues type as follows:

### 1. Revenue from Sale

It generated from the distribution and installation of the following equipment.

#### 1.1 Treatment Delivery Equipment

This is the Company’s main product, which is the equipment used in radiotherapy and holds the highest value compared to the Company’s other functions or products. Details are as follows:

- **Linear Accelerator**

The equipment for teletherapy involves cancer treatment using radiation from high-energy X-rays directed from a distance onto the cancer cells’ area to destroy them. This state-of-the-art technology boasts high accuracy and can be applied to various cancer cells throughout the body. It serves as the main revenue source for the Company.

The linear accelerator, which the Company imports and distributes, come from Varian, a Siemens Healthineers Company (“Varian”). Varian is a globally leading company in cancer treatment technology, specializing in radiation therapy, including Proton Therapy and Brachytherapy Afterloader. Varian’s cutting-edge and advanced technologies are well-known in the medical radiation therapy field, both domestically and internationally.

- **Proton Therapy**

The products used in cancer treatment through long-range radiation therapy with proton beams, generated by particle accelerators that accelerate protons to nearly the speed of light. Proton beams exhibit a notable property called “Bragg peak”, which has the advantage of penetrating tissues with lower radiation doses compared to X-rays. Additionally, the penetration depth of proton beams can be precisely controlled to prevent them from passing through cancerous tissues. Thus, it allows for the precise delivery of energy to destroy cancerous tissues or cells effectively. Normal tissues or organs located adjacent to the cancerous area or tumor being treated with proton therapy receive lower doses of energy. As a result, there is less damage or destruction caused by the proton beams. Proton therapy machines can also finely adjust the size and intensity of the proton beams, allowing for precise targeting of cancerous tissues. This capability enables the accurate delivery of proton beams to cancerous tissues, maximizing the destruction of cancerous cells while minimizing radiation exposure to adjacent normal tissues or organs. Therefore, proton therapy treatment is highly effective and associated with fewer side effects.

- **Brachytherapy Afterloader**

The products used in the treatment of cancer through brachytherapy involve the use of small radioactive sources tightly encapsulated, which are inserted closely or into the area or tumor intended for treatment. This typically uses Iridium-192, which emits radiation. It is inserted into the cancerous organ through specialized tools. This type of treatment can deliver a high dose of radiation precisely to the cancerous organ and at the specific point, reducing damage to the surrounding tissues around the tumor. Therefore, it is suitable for treating certain types of cancer, such as gynecological cancers.

## 1.2 Equipment and System

The products which related to advanced technology equipment and systems, designed to complement radiation therapy processes in treating patients. Key products in this category include CT Simulators, hardware, and software for Treatment Planning System and Oncology Information System, all used in conjunction with radiation therapy machines.

- **CT Simulator**

Products that resemble and function similarly to conventional computed tomography (CT) machines but have some distinctive features. For example, they feature a flat, table-like bed similar to those in radiation therapy rooms, with larger openings to accommodate patients wearing immobilization devices. These machines include software that enables visualization of the actual position, size, and shape of cancerous tumors and surrounding normal organs. The software assists in aligning the radiation beams and determining the position of radiation-blocking devices on the computer screen. Once images and treatment plans are obtained, they are forwarded to the treatment planning computer for accurate calculation of the radiation dose according to the doctor’s specifications, ensuring patient safety. Presently, these CT simulators come in both three-dimensional and four-dimensional configurations.

- **Treatment Planning System**

The treatment planning software system designed to deliver precise radiation therapy to cancerous tumors. It enables accurate targeting of the tumor while minimizing radiation exposure to surrounding healthy tissues. The modern computer-based treatment planning system can plan treatments using various techniques, such as 2D and 3D planning, Intensity Modulated Radiation Therapy (IMRT), and Volumetric Modulated Arc Therapy (VMAT). The system utilizes CT images of the patient obtained from a CT simulator in 3D or 4D to create treatment plans. Radiologists can specify the size and shape of the target to be treated, and medical physicists will plan treatments using different techniques and computational processing to evaluate the radiation distribution within the target tumor and surrounding tissues. After the radiologist approves the treatment plan, medical physicists send the plan through a high-speed computer network to the radiation therapy machine for the actual treatment.

- **Oncology Information System**

This software is designed to record and review the total amount of radiation a patient receives throughout high-efficiency radiation therapy treatments. It also serves as an information system for radiation therapy that supports the hospital's electronic health record system. It includes appointment scheduling for patients in radiation oncology and oncology clinics. It is suitable for patients undergoing both radiation therapy and chemotherapy. Additionally, it can support an image data management system in radiation therapy to verify the accuracy of the treatment area and the positioning of radiation to ensure that it aligns with the treatment plan.

### 1.3 Other Equipment

This product group consists of components of the main products, such as applicators for the afterloader or products that are equipment used in the treatment process. It includes devices for quality assurance and pretreatment verification tool, Gafchromic films, equipment for monitoring patient movement during imaging, and devices for immobilizing patients during treatment.

## 2. Revenue from Services

This revenue is divided into two types as follows:

- 2.1 Revenue from maintenance services for medical equipment, which has exceeded its 1-2 year warranty period stipulated in the sales contract, depends on each individual contract.
- 2.2 Revenue from genetic testing services to assess individuals' lifestyles, such as dietary habits, exercise routines, and skincare, as well as identifying the risk of common cancers. The test results are personalized, involving the detection of gene mutations, and are sent to the genetic laboratory for analysis, providing a source of income for the Company.

## 3. Revenue from Hospital Operations

It is generated through the subsidiary (Cancer Alliance Company Limited), which is the specialized hospital for cancer treatment. The Company recognized the revenue based on the shareholding proportion (73.97 percent).

## Marketing and Competitions

### Marketing Strategy

The treatment delivery equipment and related accessories that the Company imports and distributes are considered unique and employ advanced technology. This has a significant impact on the overall industry, where there are few manufacturers, and specialists are crucial for these specific products. In response, the Company has developed a market and competitive strategy, as well as target customer, as follows:

#### 1. Product

The Company emphasizes a policy that focuses on the quality of products because they are related to the quality of life for cancer patients and may impact those close to the patients. Therefore, the Company places importance on delivering products that meet international standards and are widely accepted by medical professionals both locally and internationally. Most of the Company's products are imported from certified manufacturers abroad, who adhere to various manufacturing standards such as Good Manufacturing Practice (GMP) and the Quality Management System for medical devices, ISO13485:2016. These products are certified by the origin's government agencies or private sector, as well as the Food and Drug Administration, Ministry of Public Health, in accordance with the 2006 Ministry of Public Health announcement (Issue 34) under the Medical Device Act 1988. The Company is a distributor for Varian and has significant suppliers internationally, such as Siemens Healthineers (Germany), IBA Dosimetry GmbH (Germany), Thermo Fisher Scientific Inc. (USA), Xstrahl Limited (UK), Vision RT Ltd. (UK), Radiation Product Design, Inc. (USA), and Ashland Inc. (USA). All these products are of high quality and widely accepted by medical professionals both locally and internationally.

Apart from focusing on the products standard, the Company also has a policy to operate as a Solution Provider in the field of cancer treatment which procures and distributes all related equipment and facilities tailored for use in radiation therapy cancer treatment. The Company is able to fully meet the needs of customers, leading to its recognition and trust from clients, a reputation that has been maintained.

In addition to selling and installing medical equipment for cancer treatment using radiation therapy, the Company also places importance on after-sales services, particularly in providing maintenance services for the medical equipment purchased by customers. This is to ensure that the equipment can function efficiently throughout its operational lifespan. Continuous and proper maintenance is crucial, as the lack of it or improper procedures may result in the equipment becoming inefficient, posing a risk to patients.

For the genetic screening service to assess the risk of cancer, the Company has entered into contracts with specialized companies in cancer genetics. These partners have direct expertise in cancer genetics and operate laboratories that meet globally recognized quality standards. Moreover, they utilize state-of-the-art technology for genetic testing. The Company also emphasizes the importance of result analysis conducted by specialized experts to ensure accurate and precise outcomes which they can be used for targeted cancer prevention planning effectively.

## 2. Price

The Company follows a pricing policy that determines the selling price based on the product cost plus a reasonable profit margin. This method, known as Cost Plus Margin, involves setting the selling price by considering various costs, including product cost, insurance, transportation to the agreed destination with the buyer, exchange rate risks, installation services, import duty, and a profit margin. The pricing references the product prices from manufacturers based on Free on Board (FOB) or Carriage and Insurance Paid To (CIP) terms. Credit services are utilized for importing goods, such as Letters of Credit (L/C) and Trust Receipts (T/R) and forward contracts to manage the risks associated with currency exchange rate fluctuations when purchasing products from foreign manufacturers. The payment terms vary based on the agreements and conditions specified in each contract.

For maintenance services after the warranty period, the Company also follows a Cost Plus Margin pricing approach.

For the genetic screening for cancer risk to personalize health care plan, the Company employs a Cost Plus Margin approach based on the laboratory's offered price. However, the actual pricing may vary among hospitals and clinics due to differences in their service standards and pricing structures.

## 3. Place

The main products and services of the Company focus on medical equipment for cancer treatment, specifically targeting the medical industry. Therefore, the Company relies on knowledgeable and understanding sales, marketing, and post-sales service personnel to provide accurate guidance and highlight the benefits of the Company's products and services. The sales team is considered a crucial distribution channel in this regard.

The Sales and Marketing department is responsible for presenting the information of products and services. The Company employs two following main channels to reach and distribute products and services to customers.

1. The procurement notices of the government agencies
2. Reaching out to the Company directly by the customers

The Company actively monitors government procurement to facilitate the sale of its high-value products. This involves following two main processes: e-bidding and special procurement, which align with the government procurement system, overseen by the Comptroller General's Department, Ministry of Finance. Due to the specialized nature and extensive details of the Company's products, the procurement process involves the issuance of a Draft Terms of Reference (TOR) through the government procurement system. In addition, the Company also engages in direct sales where customers place orders directly with the Company. These products are generally small equipment with a relatively lower value. Apart from monitoring news and information regarding the demand for the aforementioned products, the Company also plans visits to target customers. These visits aim to provide knowledge about the development and progress of the products, as well as raise awareness of the necessity of using the Company's products to meet the needs of cancer patients. If customers express interest in purchasing the Company's products, they inquire about details directly and proceed with the procurement process as set by either the Company or relevant units. Furthermore, the Company coordinates with potential customers to provide information and knowledge for their future purchasing decisions.

For the genetic screening for cancer risk, the Company, acting as a product (service) distributor, is responsible for promoting and providing information to both direct customers – those who directly inquire about and wish to receive the service – and in-direct customers – medical professionals and individuals associated with hospitals and anti-aging clinics. This is to ensure that hospitals and clinics can provide information and recommend genetic testing to clients and individuals who are interested.

#### 4. Promotion

Additionally, legal constraints outlined in the announcement of the Food and Drug Administration regarding the criteria, procedures, and conditions for advertising medical device, B.E. 2553, section 3.2.4, prohibit the advertisement of medical device that is unsafe for use. Since radiation therapy equipment falls under this category, the Company is restricted from advertising such products. Nevertheless, the products imported by the Company are well-known and widely accepted globally, making them familiar to medical experts and specialists in radiation therapy for cancer treatment.

The Company consistently engages in marketing and public relations activities to promote the Company and provide customers with knowledge about its products. This is achieved through participating in knowledge-oriented seminars and setting up booth at the annual meeting of the Society of Radiation Oncology of Thailand, as well as the Thai Medical Physicist Society. These events are specifically organized for professionals in the medical field, serving as opportunities to promote the Company's products directly to individuals involved in the industry. This aim to enhance the Company's image, build brand recognition, and create brand awareness among the target customers.

For the genetic testing to personalize health care plan, including cancer risk screening, the Company employs a marketing and public relations strategy that focuses on providing information and promoting services through healthcare professionals and medical personnel. This approach aims to build trust among service recipients. Various media channels have been utilized, both online and offline, including the Company's website, the product's Facebook page, and print media.

#### Characteristics of Customers and Target Customers

Majority of the Company's clients are medical school-affiliated hospitals, cancer hospitals, general hospitals, and private hospitals, which are categorized as follows:

1. Medical school-affiliated hospitals 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, Songklanagarind Hospital, Faculty of Medicine, Prince of Songkla University, Chulabhorn Hospital, Naresuan University Hospital, Thammasat University Hospital, Faculty of Medicine Vajira Hospital, and Navamindradhiraj University etc.
2. Cancer hospitals such as Lopburi Cancer Hospital, Chonburi Cancer Hospital, Ubonratchathani Cancer Hospital, and Maha Vajiralongkorn Thanyaburi Hospital (Patumthani) etc.
3. General hospitals such as Sawan Pracha Rak Hospital, Maharat Nakhon Ratchasima Hospital and Bhumibol Adulyadej Hospital, Phramongkutklao Hospital, Roi-ed Hospital, Maharat Nakornratchasima Hospital, Hatyai Hospital, Samut Sakhon Hospital, and Phrapokklao Chantaburi Hospital etc.
4. Private specialized cancer hospitals such as Wattanosoth Cancer Hospital (Bangkok Dusit Medical Services), Bangkok Cancer Specialized Hospital, Chiwamitra Cancer Hospital, Ubon Ratchathani, Sriracha Cancer Alliance Hospital, and Thai Nakarin Hospital etc.

For the customer group of genetic testing services for personalized health planning, including cancer risk screening, the main customer is private hospitals, such as Samitivej Sukhumvit Hospital, Samitivej Srinakarin Hospital, and Phyathai 1 Hospital etc., as well as anti-aging clinics such as Yoskarn Clinic and ID-Life Clinic etc.



## Industry Situation

### 1. Hospitals in Thailand with Radiotherapy Service

Currently, Thailand has a number of hospitals at both the tertiary and super tertiary level, as well as hospitals equipped with radiotherapy services, as follows:

Public Hospitals	Number of Hospitals <sup>1</sup>	Hospitals with Radiotherapy Service <sup>2</sup>
Medical School-Affiliated Hospitals	23	11
Cancer Hospitals	8	8
General Hospitals (<450 beds)	53	15
<b>Total</b>	<b>84</b>	<b>34</b>

Private Hospitals	Number of Hospitals <sup>1</sup>	Hospitals with Radiotherapy Service <sup>2</sup>
Medical School-Affiliated Hospitals	2	-
Cancer Hospitals	6	6
Private Hospitals (>250 beds)	21	17
<b>Total</b>	<b>29</b>	<b>23</b>

<b>Total Public and Private Hospitals</b>	<b>113</b>	<b>57</b>
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**Sources:** <sup>1</sup> The Society of Radiation Oncology of Thailand, Department of Medical Services, Ministry of Public Health, List of health service facilities under Office of the Permanent Secretary, Ministry of Public Health and List of hospitals in Thailand, Wikipedia

<sup>2</sup> Business Alignment Public Company Limited.

**Remarks:** The number of hospitals includes both tertiary and super tertiary level hospitals, which are large-sized hospitals and are the target customers of the Company.

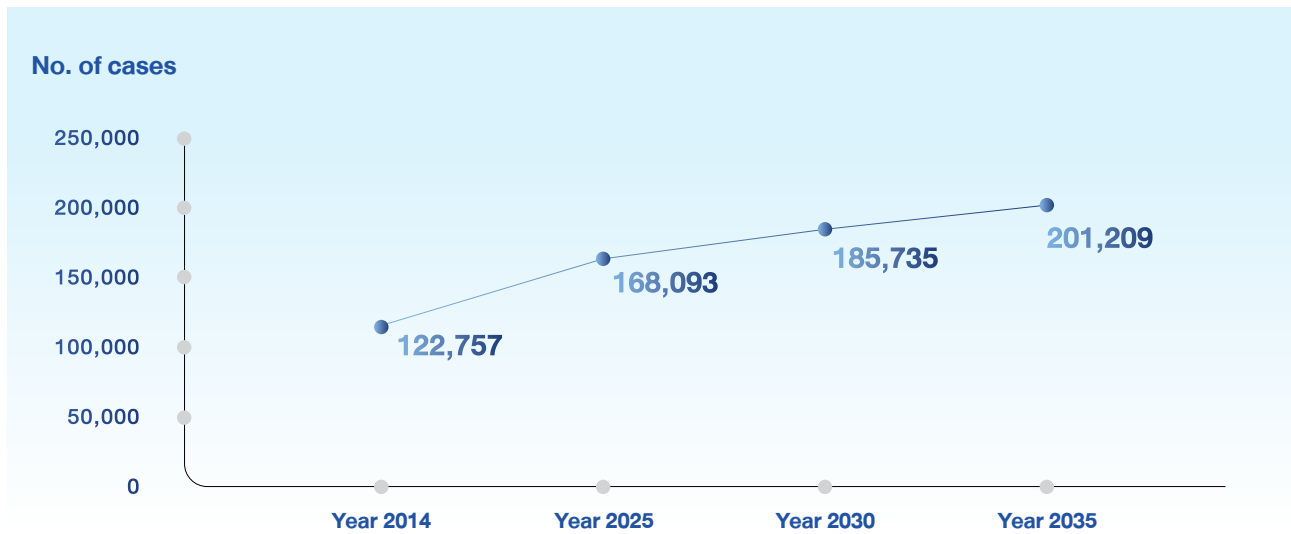
### 2. Cancer Patients

Cancer is a prevalent disease in the present day and is a leading cause of death with approximately 15% of global deaths. According to the World Health Organization (WHO), in the year 2020, there were around 19.3 million new cancer cases and 9.95 million cancer-related deaths. The top five cancers worldwide were breast cancer, lung cancer, colorectal cancer, cervical cancer, and stomach cancer. Lung cancer had the highest number of deaths at 1.8 million, accounting for 18%, followed by colorectal cancer with 935,000 deaths, liver cancer with 830,000 deaths, stomach cancer with 768,000 deaths, and breast cancer with 684,000 deaths, representing approximately 6.9%.

Furthermore, the International Agency for Research on Cancer (IARC), a part of the WHO, has reported in The Lancet Oncology. According to this report, it is anticipated that by the year 2030, countries with middle-income standards, such as those in South Africa, China, and India, may experience an increase in cancer incidence by up to 78%. In contrast, countries with lower standards of living might see a higher rise, up to 93%, due to changes in dietary habits and an aging population.

According to the estimated cancer incidence data for Thailand from IARC, WHO, it is observed that the incidence of cancer in Thailand is on the rise. In 2020, there were approximately 190,636 new cancer cases, with 93,425 cases in males and 97,211 cases in females. Regarding the data from Ministry of Public Health, in the year 2019, Thailand had 84,073 cancer-related deaths, with 48,078 in males and 35,995 in females. This indicates an increase in the mortality rate compared to previous years (Source: Public Health Statistics, 2019). Additionally, the WHO predicts that in 2025, there will be approximately 168,093 cancer cases, in 2030 there will be around 185,735 cases, and in 2035, there will be about 201,209 cases.

## The Estimated Number of Cancer Cases in Thailand.



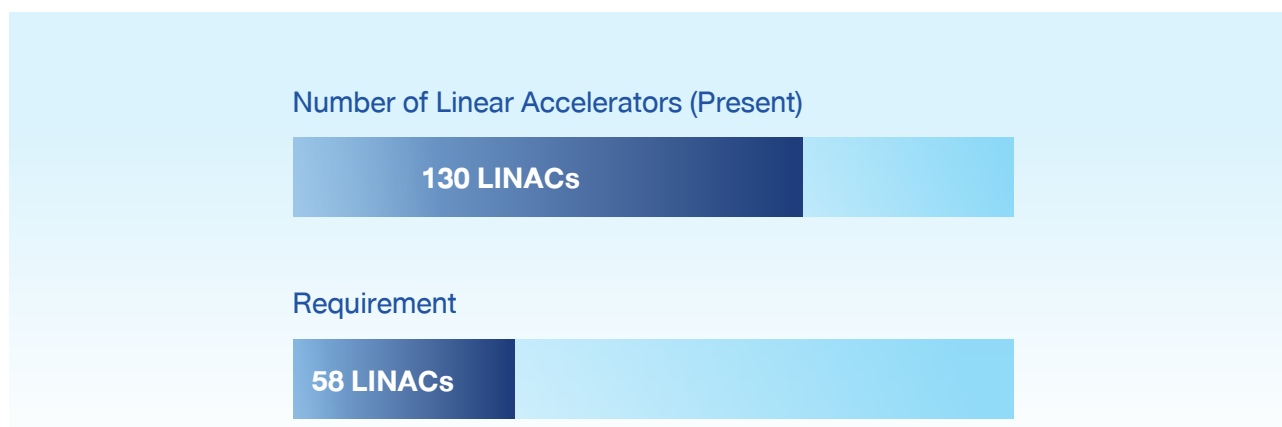
From the data on “Proportion of Causes of Death Due to Cancer Compared to All Causes of Death in Thailand”, it is found that cancer has been the leading cause of death among the Thai population since the year 1999. Thai people have shown an increasing trend in cancer-related deaths every year, influenced by changing environmental and socio-cultural factors such as urbanization, aging society, changes in dietary habits, technological advancements, and communication. These factors contribute to a higher incidence of cancer. From the years 2007 to 2014, an estimated 50,000 to 70,000 Thais died from cancer annually, accounting for approximately 13.59% to 16.09% of all deaths. The rate of cancer-related deaths continues to rise, making it the primary cause of death among Thais.

### 3. Radiotherapy Equipment in Thailand

At present, medical devices related to radiation therapy continue to expand, but they are still insufficient to meet the needs of cancer patients requiring radiation treatment. The estimated number of new cancer patients each year, as indicated by the WHO, shows a significant upward trend in the future. Furthermore, cancer remains the leading cause of death in Thailand, with a portion of the population unable to access radiation therapy technology. Typically, one linear accelerator can accommodate approximately 400-500 new patients per year, and at least 50% of cancer patients will require radiation treatment (source: a research study conducted by Oxford University in collaboration with the International Network for Cancer Treatment and Research (INCR) titled “Challenge of Making Radiotherapy Accessible in Developing Countries” in 2013). However, the data from the Society of Radiation Oncology of Thailand in 2020 indicates that Thailand only has 130 linear accelerators (LINACs). As the number of cancer patients in Thailand continues to rise, there is a demand for radiation treatment, approximately 700 cases per linear accelerator. The current situation highlights the need for at least 188 linear accelerators in Thailand to adequately serve the growing number of cancer patients. This suggests a shortage of approximately 58 linear accelerators. (Source: Capacity data of linear accelerators from the INCR by Mr. Massoud Samiei, titled “Challenge of Making Radiotherapy Accessible in Developing Countries” in 2013, and the number of linear accelerators from the Society of Radiation Oncology of Thailand)



The Estimated Number of Linear Accelerators that Should Be in Thailand is 188.



There is also a group of radiation therapy machines using natural resources (Cobalt-60 Machine) that need to be replaced with linear accelerators. This is because Cobalt-60 Machines use outdated technology and have limitations compared to linear accelerators. Currently, there is only one remaining Cobalt-60 Machine in Thailand, and it is scheduled to be replaced by a linear accelerator. When combined with the information mentioned earlier, there is a total demand for approximately 59 accelerators (Source: the number of linear accelerators from the Society of Radiation Oncology of Thailand). Furthermore, among the existing radiation therapy machines, more than 20 machines have been in use for over 10 years. This indicates a demand for radiation therapy machines, with a requirement of not less than 80 machines.



## Competition

### LINAC Manufacturers

The manufacture of radiation therapy machines requires advanced technology, resulting in a limited number of manufacturers. Currently, Thailand is unable to produce these machines domestically, and thus relies on imports from foreign countries. Examples of imported products include those from Varian and Elekta AB which based in Sweden. Both companies are major manufacturers and primary distributors in the global radiation therapy machine market. Additionally, there are radiation therapy machines from China, which have a relatively small market share globally and are often specialized for specific purposes.

### The Provider of Genetic Testing for Personalized Health Plan and Cancer Risk Screening

The genetic testing service is not a new offering in Thailand but has been available for a long time. However, information may not be accessible to the general public regarding the current availability of services that can delve into the DNA's genetic level. These services aim to provide a deeper understanding of individuals' health conditions related to their lifestyles, including the risk of hereditary cancer or environmental factors that may contribute to cancer. The general public might not fully grasp the importance or necessity of obtaining such information for planning their health care and future. Furthermore, there is limited awareness of the current advanced technologies for analyzing this genetic information. Therefore, the current competition is focused on providing comprehensive and accessible information to the public, both directly and indirectly, about the availability of these services.

## Competition in Thailand

The medical equipment import industry is a continuously growing sector, particularly in the field of advanced medical technologies such as radiotherapy machines. Currently, there are only two major companies involved in importing and distributing radiotherapy products, tools, and related equipment in Thailand. The Company serves as the distributors for Varian's radiotherapy products. The other company is Elekta AB, which is a significant competitor to Varian in the global market. This competitive landscape defines the industry, where distributors and major manufacturers, such as Varian and Elekta AB, play a crucial role. Despite the presence of specialized and unique radiotherapy machines like CyberKnife and TomoTherapy from Accuray, a U.S.-based company, as well as products from Chinese manufacturers like Shinva Medical Instrument, these entities are not considered primary competitors.

From the earlier information, the number of radiation machines in Thailand can be categorized based on the domestic market share as follows:

No.	Radiation Machine	Number of Machines	Market Shares (%)
1	LINAC Varian	67	51.54
2	LINAC Elekta	50	38.46
3	Other Accelerators and/or Old Technology	13	10.00



## Procurement

The Company operates as a Solution Provider in the field of radiation therapy for hospital clients. Consequently, most product sales take the form of project-based work. The Company is responsible for tasks ranging from construction, upgrading radiation rooms, procuring and installing medical equipment, and related devices for radiation therapy. Upon completion, the Company delivers the project to the customer and recognizes the entire revenue for it.

With the project-based operational structure mentioned, the Company has to recruit personnel in various areas such as construction, renovation, installation of various equipment and devices, and after-sales services. Additionally, the Company has to procure all the tools and equipment needed in the treatment process, along with installing the products to ensure they are fully functional.

In the distribution of medical equipment for the treatment of cancer patients through radiotherapy, such as treatment delivery equipment, treatment planning system, and oncology information system, the Company imports and distributes Varian products as their Thailand distributor.

For the distribution of other products such as CT Simulator, quality assurance and pretreatment verification tool, and various related accessories, the Company places orders, and imports from manufacturers in different countries. Some of the suppliers include Siemens Healthineers from Germany, IBA Dosimetry GmbH from Germany, Thermo Fisher Scientific Inc. from the US, Xstrahl Limited from the UK, Vision RT Ltd. from the UK, Radiation Product Design, Inc. from the US, and Ashland Inc. from the US etc.

For genetic screening services for cancer, the Company has entered into a distribution agreement with Genfosis Company Limited, which engaged in genetic testing-related services. They specialize in diagnosing genetic and DNA levels, covering various genetic diseases prevalent in Thailand and Southeast Asia. The Company has also expanded its collaboration with GenePlanet, a leading company in genetic testing and comprehensive health analysis from Slovenia, Europe. This collaboration aims to broaden the range of products and services to meet the increasing demand for health care in the health-conscious population.





## Recruitment

The personnel in the Project Management department play a central role in assessing the feasibility of installing various tools, signal transmission systems, and equipment used in radiation rooms, simulation rooms, and mineral rooms, among others. They are responsible for coordinating with engineers, architects, project consultants, and clients to prepare spaces and other elements suitable for equipment installation. Additionally, they evaluate and monitor the progress of the project at intervals to ensure alignment with goals and timelines. They also liaise with the Sales and Marketing department, including customers, to source products for the project that meet customer requirements. Therefore, personnel in the Project Management department must have knowledge in engineering or radiological technology or have experience working in medical physics.

Varian, the manufacturer, is responsible for installing its medical equipment for customers.

For maintenance services, the Company's After-Sales Service department personnel will coordinate with the manufacturer to inspect the equipment and various systems for LINAC and significant software. For an afterloader, radioactive minerals will be replaced by the After-Sales Service department personnel as scheduled.

Therefore, the Company prioritizes the recruitment of personnel with expertise and knowledge, preferably including manufacturer training and experience in maintaining medical equipment for cancer treatment.



## Contractors

In the pre-installation preparation phase, in some cases, customers may request the Company to undertake construction or modification of the facility for the installation of radiotherapy equipment and various tools to meet international standards and be suitable for use. Therefore, the Company will procure and contract external contractors to carry out the work. This includes construction contractors, interior designers, and build-in contractors, as the Company does not have an in-house construction team.

LINAC is a high radiation machine. Therefore, in the installation process, it is necessary to install it in a specially designed room to prevent radiation hazards. The Company prioritizes the selection of contractors with a high level of knowledge, ability, and experience in constructing or modifying facilities for the installation of radiotherapy machines. This ensures that the result meets the requirements of the Company's customers.

The process of contractor selection involves obtaining suitable quotations. The Company sets conditions and specifications for each project, such as format, standard materials and equipment used, completion time, and estimated project budget. Since customer requirements vary for each project, the next step is to gather detailed information from contractors who have submitted bids, considering whether the proposals are complete according to the requirements. If any information is missing, the contractor is asked to provide additional details. Subsequently, the Company assesses which contractor meets the qualifications and can proceed further, while the others are excluded.



## Sales and Maintenance Process

### Process of Sales (through E-bidding and Special Procurement)

#### 1. Presenting Product Information and Undergoing Consideration for Selection

In the process of considering a purchase, customers can proceed with the procurement process in two main formats, depending on the details and complexity of the products as follows:

##### 1.1 E-Bidding

1.1.1 When the customer expresses the desire to purchase the product, the suppliers of radiation therapy equipment will be invited to present information to the Procurement Committee for the purpose of drafting the Terms of Reference (TOR).

1.1.2 After the Company has presented initial product information, the Sales department will monitor procurement announcements and draft the Terms of Reference (TOR) as per the announcements on the website of such agencies and the government procurement system of the Comptroller General's Department, Ministry of Finance. The Company will assess whether it meets the criteria specified in each project's announcement. If the criteria are met, the Sales and Marketing department will calculate costs and expenses. In cases where site preparation is required before installation, the Company will assign engineers, architects, and consultants to inspect the site, assess the cost of construction or renovation, and ensure that the space is suitable for installation. Subsequently, the Administration department will prepare the necessary documents for the upcoming bidding process.

##### 1.2 Special Procurement

In the case where the agency intends to make a procurement through a special method, the Procurement Committee will be established to determine the benchmark price and prepare details of the characteristics of the equipment. The Company will be invited to submit the quotation.

2. Once the Company has been chosen via any of the aforementioned methods, the Company will collaborate with the overseas manufacturer to prepare an order based on the project specifications. Simultaneously, documents for securing credit facilities, signing the sales contract with the government agency, and facilitating import will be prepared.
3. In cases where space preparation is required prior to equipment installation, the Company will outsource contractors which include construction contractors, interior designers, and build-in contractors to carry out modifications and enhancements to the facility. This is to accommodate the installation of the radiotherapy equipment along with its systems and various tools. The Company will exercise control and periodic inspection over the contractor's work to ensure compliance with standards and to oversee the quality and progress of the contracted work.
4. After the products arrive in Thailand, the Company will process the installation at the customer's designated location.
5. Once the installation is completed, the Company will schedule an appointment with the relevant department for quality inspection before delivering the equipment. This includes providing domestic and international training sessions on the proper use of the equipment to medical professionals or relevant staff.
6. The Company delivers the products and issues invoices for payment according to the terms specified in the contract.
7. Maintenance services will be provided within the warranty period specified in the contract.



## Process of Maintenance Service

The continuous maintenance service of the medical equipment helps ensure its efficient performance throughout its lifespan. The Company enters into service agreement with the customer for maintenance services whenever issues arise or as scheduled. This ensures that the medical equipment functions efficiently throughout its operational life. Typically, the customers renew their service agreements continuously because the lack of continuous maintenance and improper handling can lead to reduced equipment efficiency. In addition, the Company also provides services for the care and procurement of various tools and equipment as not specified in the service agreement. Customers can request specific services based on the nature of the issues they encounter, such as maintaining chiller systems or air conditioning systems. Upgrading services also are offered for software systems related to the products used in radiation therapy. This involves improving the efficiency of software systems, such as upgrading treatment planning software to enhance its performance.

The Company has a clear policy regarding the timely delivery which must meet the deadline specified in the contract. Additionally, the quality of the products must adhere to the specifications outlined in the purchase agreement. This includes quality control during the installation of the radiation therapy equipment, along with its associated systems and accessories to ensure its optimal performance throughout its operational life.



## Assets Used in Business Undertaking

Below are the details of the Company's assets as at December 31, 2023:

(Unit : million Baht)

Asset Types	Asset Description	Ownership	Contingencies	Net Value	Usage
1. Equipment	Small medical equipment	Company owned	-No-	0.16	To use in installing and quality vision and mission inspection of the radiotherapy system
2. Office Supplies	Office supplies used at the company's office	Company owned	-No-	0.83	To use within the office
3. Rental Office Renovation	Renovation of the Company's rental office located at 92/45 16 <sup>th</sup> Floor, and 92/32 14 <sup>th</sup> Floor, Sathorn Thani 2 Building, Sathorn Nua Rd., Silom, Bangrak, Bangkok	Company owned	-No-	1.23	To use within the office
4. Business office	92/32 14 <sup>th</sup> Floor, Sathorn Thani 2 Building	Company owned	-No-	16.77	To use within the office
<b>Total</b>				18.99	

### Intangible Assets

As of December 31, 2023, the Company's intangible assets include computer programs which net value is 2.08 million baht.

### Significant Contracts in Business Operations

Distributor Agreement in Thailand and Cambodia regarding radiotherapy products with Varian, a Siemens Healthineers Company.

### Investment in Subsidiary and Associates

In considering investments in subsidiaries or associates, as well as individual investment projects, the Company prioritizes on evaluating businesses that support and benefit the Company's operations. This includes assessing the return on investment, risks, and the financial condition of the Company thoroughly. Such investments must be considered by the Board of Directors and shareholders in accordance with the defined scope of authority. This is committed to compliance with regulations and announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as relevant laws, regulations, or orders. The Company exercises control through the appointed representatives to serve as directors in subsidiary for ensuring the alignment with the Company's direction and management policies.

### Undelivered Projects

The Company has three undelivered projects, with a total value exceeding 5% of the total revenue according to the consolidated financial statements for the fiscal year 2023, totaling 620.80 million baht, and all projects are expected to be completed within 2024

No.	Project	Project Value (Million Baht)	Expected Delivery Date
1	Distribution and Installation of Radiation Therapy Machine (1)	150.80	Within 2024
2	Distribution and Installation of Radiation Therapy Machine (2)	220.00	Within 2024
3	Distribution and Installation of Radiation Therapy Machine (3)	250.00	Within 2024
<b>Total</b>		<b>620.80</b>	

According to the accounting standards, the Company's revenue recognition occurs when the project is delivered. Therefore, any delays in project handovers, often due to the unpreparedness of clients in providing the designated space, would consequently impact the delivery date and shift the revenue recognition to subsequent accounting periods.

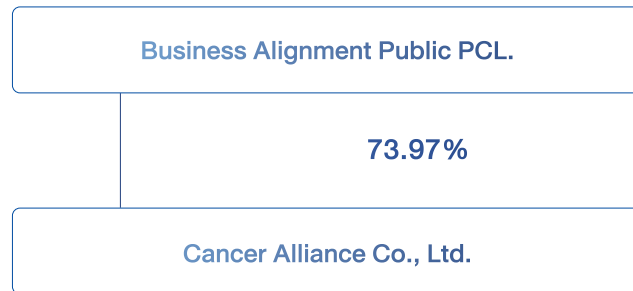






## Shareholding Structure of the Company

As at December 31, 2023



### Subsidiary Company

Company	Cancer Alliance Company Limited
Head Office	No. 529 Moo 3 Nongkham, Sriracha, Chonburi 20230, Thailand
Telephone	+66 33 046 333
Type of Business	Hospital Business (Specialised in Cancer Treatment)
Registered Capital	Baht 350,000,000.00
Paid-Up Capital	Baht 350,000,000.00
Par Value	Baht 100.00

### Parties with Conflict of Interest

-None-

### Shareholders

Major Shareholders as at December 29, 2023

No.	Name of Shareholders	No. of Shares Held	Total No. of Shares Held	% of Shareholding
1	Mr. Sompong Chunekitiyanone	192,705,000	192,705,000	32.08%
2	Group of Mr. Voravid Silapusid		185,982,000	30.96%
	- Mr. Voravid Silapusid	181,500,000		
	- Mrs. Sivika Silapusid	4,482,000		
3	UBS AG LONDON BRANCH	64,400,600	64,400,600	10.72%
4	Mr. Noppadol Suntanaphanich	36,000,000	36,000,000	5.99%
5	Mr. Kittipong Phatarachaikul	9,725,600	9,725,600	1.62%
6	Mrs. Sarin Chinudomsap	7,500,000	7,500,000	1.25%
7	Thai NVDR Company Limited	6,993,717	6,993,717	1.16%
8	Mr. Kittisak Chinudomsap	6,986,550	6,986,550	1.16%
9	Mr. Chanon Chinudomsap	3,000,000	3,000,000	0.50%
10	Mr. Prajak Tovatanasatid	2,117,950	2,117,950	0.35%
	Other Minority Shareholders	85,323,572	85,323,572	14.21%
<b>Total</b>		<b>600,734,989</b>	<b>600,734,989</b>	<b>100.00%</b>

## Registered and Paid-up Capital

### Ordinary Shares

The Company's registered capital is baht 330,000,000.00 and the paid-up capital is baht 300,367,494.50, comprising of 600,734,989 ordinary shares with a par value of baht 0.5 per share.

### Other Types of Shares with Different Terms or Rights from Ordinary Shares

-None-

### The Company's Shares or Convertible Securities as Underlying Securities for Thai Trust Fund Issuing

-None-

## Dividend Policy

The Company's dividend payout policy is to pay at least 40 percent of net profit after deduction all categories of reserves as specified in applicable laws and the Company's Article of Association. However, dividend payment is subject to operating results, financial status, investment plans, suitability, and not significantly impact the Company's operation. Dividend payment must seek approval from the Annual General Meeting of Shareholders. An exception applies to interim dividend payment, which the Board of Directors has the authority to approve and report to the following shareholders' meeting.

The subsidiary company has not established a dividend payment policy due to the loan repayment for hospital operations.



## Risk Management

### Risk Management Policy

The Company has established a risk management policy, including the formation of the Risk Management Sub-Committee under the Executive Committee, as well as developed policies, systems, and conducts assessments of various risks such as external factors, management, and internal operations. Guidelines for managing and mitigating risks to an acceptable level have been established. Employees have also been communicated to be aware of the importance of risk management. The followings are the Company's risk management process.

#### 1. Objectives Defining

To determine the objectives to align with the Company's vision, mission, and operations.

#### 2. Risk Identification

To identify the risks related to the Company's operations and their impact on the objectives and the operations.

#### 3. Risk Assessment

To assess and prioritize risks by considering the likelihood of their occurrence and their impact on the Company.

#### 4. Risk Management

To set risk management guidelines to minimize the likelihood of risks occurring or reduce the damage from potential impacts.

#### 5. Monitoring and Reviewing

To monitor and evaluate risk management performance regularly to ensure that operations are carried out correctly and appropriately, including controlling the risks that arise.

### Risk Management Sub-Committee

The Company's Risk Management Sub-Committee comprises of 6 members, as follows.

No.	Name	Position
1	Mr. Sompong Chunekitiyanone	Risk Management Sub-Committee Chairman
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	Ms. Siwaporn Imsamran	Risk Management Sub-Committee
6	Ms. Anchasa Sangsrichan	Risk Management Sub-Committee

In 2023, the Risk Management Sub-Committee regularly convened meetings to review significant risks and risk management methods, offering suggestions to enhance measures and improve the efficiency of risk management.

## Risk Factors

### Current and Emerging Risk Relating to Operating Business

#### Business Risk

- **Dependency on Key Manufacturer**

The Company imports radiotherapy medical equipment, including LINAC, treatment planning systems, and radiotherapy patient database systems, from Varian, a Siemens Healthineers Company (“Varian”). Varian is a key manufacturer and distributor, known for radiotherapy medical equipment and software system, proton beam therapy, its advanced technology in mineral implant therapy, x-ray tubes for medical purposes, and linear accelerators used in container inspection with high-energy x-rays.

The Company has been appointed as a Varian’s exclusive importer and distributor in Thailand for over 20 years. Its business operations has a high dependency on Varian’s products, which serve as the primary revenue source and are instrumental in selling supporting products. Any disruption in Varian’s distribution or the loss of exclusivity could significantly impact the Company’s operations, potentially leading to cessation.

Since its establishment in 2000, the Company has collaborated with Varian as their exclusive distributor and excelled in bringing Varian products to Thai clients. Varian is a prominent provider of medical equipment and software systems for radiotherapy. It’s under Siemens Healthineers, which listed on the Frankfurt Stock Exchange, demonstrating a stable financial position. The likelihood of issues arising in Varian’s business operations is low, and the Management believes the Company will sustain its position as the exclusive distributor in Thailand continuously. Given the Company’s strong performance, there is no apparent reason for Varian to revoke the appointment as their exclusive distributor.

- **Compliance with the Key Conditions as Stated in the Distributor Agreement with Varian**

The appointment agreement with Varian stipulates a contract period of 1 year. If Varian decides not to renew the contract, it could result in the cessation of the Company’s business due to its high dependency on Varian. This poses a significant risk for the Company based on the specified duration in the agreement.

The Company has no concerns regarding the renewal. Based on the Company’s performance and over 20 years of uninterrupted contract renewals, it demonstrates a robust and trustworthy collaboration between the Company and Varian.

- **The Increase in Competition**

The import of medical equipment, particularly advanced technology like radiotherapy machines, is a rapidly growing industry. This specialized equipment cannot be manufactured within Thailand and must be imported from overseas. As per the law, obtaining a license is mandatory for the manufacturing or importation of medical equipment. Registering for the license doesn’t serve as a barrier to prevent new competitors from entering the industry.

The Company faces the risk of both new competitors entering the market and Varian itself running its own operation, potentially disrupting the Company’s business due to its reliance on Varian’s key products.

However, the Company views the emergence of new competitors or the potential entry of Varian into the business as not very likely due to the following three reasons.

Firstly, there are only two key manufacturers of radiotherapy equipment known to medical personnel both domestically and internationally: Varian, a Heathnieers Company represented by the Company and Elekta AB, the Sweden-based company which represented by the Company's competitor. The emergence of new domestic competitors who have the same potential as the Company is unlikely. Distributing medical equipment related to cancer treatment requires knowledge and expertise. Moreover, the Company's strength lies in being a solution provider for its clients, which includes supplying equipment and its support, renovations for equipment installation, maintenance services, and the Company's established reputation over 20 years. These factors contribute to strong credibility for Varian. The likelihood of changing the distributor is quite low because a new distributor may not meet the same standards, potentially reflecting negatively on Varian.

Secondly, Varian faces monetary and time costs for sales, marketing, and after-sales service in an unfamiliar territory, which might not be worthwhile when compared to the sales ratio in Thailand. As a result, appointing a distributor who is familiar with the territory, target clients and environment of their own country would be more beneficial for Varian.

Finally, Varian cannot fulfill the specific needs of clients in Thailand, which necessitate a comprehensive solution provider responsible for all aspects, including space preparation for equipment installation—an area where the Company currently excels. Since clients prefer convenience, faster service, and less complexity. Unlike in other countries such as Singapore where the clients don't need a distributor who acts as a solution provider, Varian could potentially operate its own business there as they handle other aspects themselves. The Company sees that as long as the requirements of Thai clients persist, the likelihood of Varian competing with the Company remains quite low.

Despite these advantages, the Company acknowledges the risks associated with business competition. Therefore, the Company's policy focuses on differentiating itself through the service quality and enhancing the efficiency of its work processes. The Company is confident in its ability to sustain and enhance product distribution across Thailand in the long term.

- **Revenue Recognition in Accordance with Accounting Standards**

The primary source of revenue for the Company comes from distributing and installing medical equipment used in radiotherapy. The majority of the sales revenue is derived from high-value projects featuring the teletherapy machine as the key product, with each project ranging from 50 to 250 million Baht in worth. According to the accounting standards, revenue recognition occurs when the Company transfers control of the goods to the customer. For large-scale projects, it typically takes approximately 210-360 days (from the signing date) to complete the project, hand it over to the clients, and recognize the revenue at one time.

As revenue recognition occurs upon project completion, any delays in project handovers would consequently shift the revenue recognition to subsequent accounting periods. The Company might encounter the risk of income instability for each accounting period.

The Company is aware of the risks related to revenue recognition. Our primary focus in project management is to ensure adherence to scheduled time frames. The Company has never failed to deliver projects to clients late, having consistently met project deadlines. Unless there is a delay caused by the client's unpreparedness, resulting in a postponement of revenue recognition.

- **Having the Major Customer as Public Hospitals.**

In the past, the Company's primary clients were public hospitals. The key determining factor for these hospitals in purchasing from the Company was the allocation of budget from their original affiliations. This meant that although hospitals might have desired to make purchases from the Company, they were constrained if the budget allocation did not support such purchases. This situation could have a significant impact on the Company's sales revenue and operational performance for each accounting period.

The time frame of the government's annual budget is from October 1 to September 30 of the following year, operating on a seasonal basis. In each fiscal year, if the clients are allocated a sufficient budget, the order may begin; contracts will be signed during the 4th quarter. Then, it will take the Company between 210 and 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 aforementioned, the high amount of revenue will be recognized in the 3rd and 4th quarters of each year, while the 1st and 2nd quarters may show lower revenue due to the absence of handovers for high-value projects.

As previously mentioned, failure to receive purchase orders from public hospitals due to insufficient budget allocations, as well as the seasonal nature of the budget, can put the Company at risk of inconsistent and unpredictable income. This can lead to financial instability across accounting periods due to income fluctuations.

However, the Company also generates revenue from maintenance services, which constitutes another consistent income stream stemming from the Company's key products. This revenue remains stable each year. Consequently, increasing product sales would result in higher revenue from maintenance services, thereby enhancing the stability of the Company's overall income.

- **Niche Nature of the Business in Terms of Products and Market Conditions**

The Company's key products, such as LINAC or the hardware and software of the treatment planning system, are specialized products with advanced technology, high value, and limited manufacturers. These factors contribute to the unique market characteristics of the Company's business. In other words, the Company's target clients are in a niche market focused on public health service. Additionally, key products, especially the LINAC, have an average lifespan of 12-15 years before replacement is necessary. Changes to LINAC technology require extensive, carefully controlled development and experimentation due to its direct impact on patient. Consequently, the market conditions and demand for the products are restrained solely to these clients, considering the long replacement cycle of the machine. As a result, 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.

The Company acknowledges the risk of unstable and fluctuating revenue as a key factor that will impact the business operations and revenue of the Company in each accounting period. The Company doesn't believe that operating within a niche market will significantly impact its operations since there is already an insufficient supply of radiotherapy machines for cancer patients. According to data from the World Health Organization, the trend of cancer patients in Thailand is projected to continuously rise. Current capacities are inadequate to meet the demand, considering each LINAC can only treat 400-500 patients per machine per year. As a result, the company anticipates a continual demand for its products from the existing target clients. The budget allocation to the target clients (public and private hospitals) will become essential and an opportunity that the original affiliations must consider for investing in the product.

- **Compliance with Applicable Policies, Laws, and Regulations**

For the operation involving the distribution and installation of radiotherapy machines imported from overseas expert companies, including maintenance services, the Company must adhere to orders, announcements, rules, regulations, acts, and related laws, such as the Medical Device Act B.E. 2551, Ministry of Public Health Announcements, FDA Orders and Announcements and the Responsibility for Unsafe Products Act B.E. 2551 by the Office of the Consumer Protection Board etc. This is intended to regulate the business operations of medical equipment manufacturers, importers, and distributors, aiming to safeguard consumer safety and rights.

Additionally, considering the target clients are medical school-affiliated hospitals, cancer hospitals under the Ministry of Public Health, and other public hospitals that utilize electronic bidding or special procurement processes, the government has enhanced the procurement system for increased effectiveness and higher standards.

As the Company's business operations are directly linked to the aforementioned laws and regulations, strict adherence to these guidelines is imperative. Failure to comply, whether due to human error or oversight, could potentially halt the Company's operations and result in additional costs. For example, if the Company neglects to renew its license for importing medical equipment in a timely manner, it could lead to an inability to import the product. Consequently, the Company might be unable to fulfill client orders, causing project delays and impacting the Company's revenue.

To mitigate this risk, the Company prioritizes communication with all employees to emphasize the importance of adhering to orders, announcements, rules, regulations, acts, and related laws. Additionally, the Company ensures consistent monitoring for any changes in rules and regulations by staying updated through government announcements and regular communication with clients. Furthermore, the Company places emphasis on meticulous monitoring of licenses and other associated documents throughout the product distribution process. This stringent oversight is to ensure operational efficiency and prevent any delays in project handovers to clients. The Company has never encountered any issues regarding non-compliance with regulations leading to business disruption since its establishment.

## Management Risk

- **Dependency on the Key Directors**

Mr. Sompong Chunekitiyanone, Director, Executive Chairman, and Chief Executive Officer, and Mr. Voravid Silapusid, Director, Executive Director, and Chief Financial Officer are major shareholders of the Company. Having established a long tenure and clear vision, they bear the direct responsibility to set policy, steer direction, and guide the Company's operations. Therefore, any change in their composition could pose significant challenges to the Company's future business stability.

To mitigate the risk associated with the dependency on these key directors and to decentralize decision-making, the Company has set its organizational chart to include honorary directors who possess experience in management and operations. Additionally, the Management across various levels is actively involved in decision-making processes and setting the Company's direction. The authority and responsibility have also been decentralized clearly. However, Mr. Sompong Chunekitiyanone and Mr. Voravid Silapusid continue to be the primary individuals responsible for setting the Company's main policy. Other details are determined by members of the Management team.

## Financial Risk

- **Fluctuations in the Foreign Exchange Rate**

The Company imports medical equipment and devices from various countries such as the United States, Germany, England, and Sweden, in relatively large proportions and with payment conditions in foreign currencies. Consequently, the Company faces risks associated with fluctuations in exchange rates. Changes in exchange rates, when converting the product prices from foreign currencies to Thai baht, can negatively impact the Company's operations.

To mitigate the impact of fluctuating foreign currency exchange rates, the Company implements a risk management policy utilizing currency hedging. The Company does not engage in profit-making activities based on currency fluctuations. Consequently, the Company has established a policy stipulating that when using a Letter of Credit (L/C), it will execute a forward contract based on the currency exchange rate at the contract date in full amount. Additionally, the Company regularly monitors and evaluates foreign currency exchange risks by analyzing economic news pertinent to its business operations.

- **Entering into a Loan Agreement**

Most of the sales and installations of radiation therapy equipment for cancer treatment constitute the Company's large-scale projects, valued approximately between 50 to 400 million Baht per project. The Company has taken loans from financial institutions to purchase medical equipment for each project. An increase in interest rates may lead to higher interest costs for the Company's loans.

However, the Company is not significantly affected in terms of project-related aspects by fluctuations in interest rates within the financial market. This is because the loans acquired are of short-term duration, not exceeding 6 months.

## Social, Environmental, Corporate Governance Risk (ESG Related Risk)

- **Climate Change**

Climate changes has repercussions both at a national and global level, leading to various disasters and environmental imbalances. For instance, the rise in the average global temperature results in the increase of sea levels, causing issues like flooding. This could potentially damage the Company's goods, especially high-value items, directly impacting its costs.

However, the Company has proactively obtained property insurance covering natural disasters for the equipment, ensuring protection from the time of arrival until just before the delivery.





## General Information and Other Key Information

### References

#### Regulator for Issuing Company

##### **Securities and Exchange Commission, Thailand (“SEC”)**

No. 333/3 Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand

Telephone : +66 2 033 9999

SEC Help Center : 1207

Email : info@sec.or.th

Website : www.sec.or.th

#### Regulator for Listed Company

##### **The Stock Exchange of Thailand (“SET”)**

The Stock Exchange of Thailand Building,

No. 93 Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok 10400, Thailand

Telephone : +66 2 009 9000

SET Contact Center : +66 2 009 9000

Email : SETContactCenter@set.or.th

Website : www.set.or.th

#### Registrar

##### **Thailand Securities Depository Company Limited**

The Stock Exchange of Thailand Building,

No. 93 Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok 10400, Thailand

Telephone : +66 2 009 9000

SET Contact Center : +66 2 009 9000

Email : srg\_tsd@set.or.th

Website : www.set.or.th/tsd

#### Auditor

##### **EY Office Limited**

Lake Rajada Office Complex, 33rd floor, No. 193/136-137 Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand

Telephone : +66 2 264 0777

#### Other Key Information

-None-

#### Legal Disputes

-None-



## Business Sustainability Development

### Sustainable Management Policy and Goals

The Company has a policy to conduct its business in a sustainable and resilient manner, aiming to create opportunities for business growth that are responsive and add value to shareholders and stakeholders in a balanced manner. This includes the social and environmental participation to meet the needs of all stakeholders while upholding ethical principles, good corporate governance, and business ethics. Additionally, the Company places importance on personnel development and respects human rights. These business practices align with the Company's vision and mission. Furthermore, the disclosure of the Company's sustainability information complies with the SET's sustainability reporting guide for listed companies.

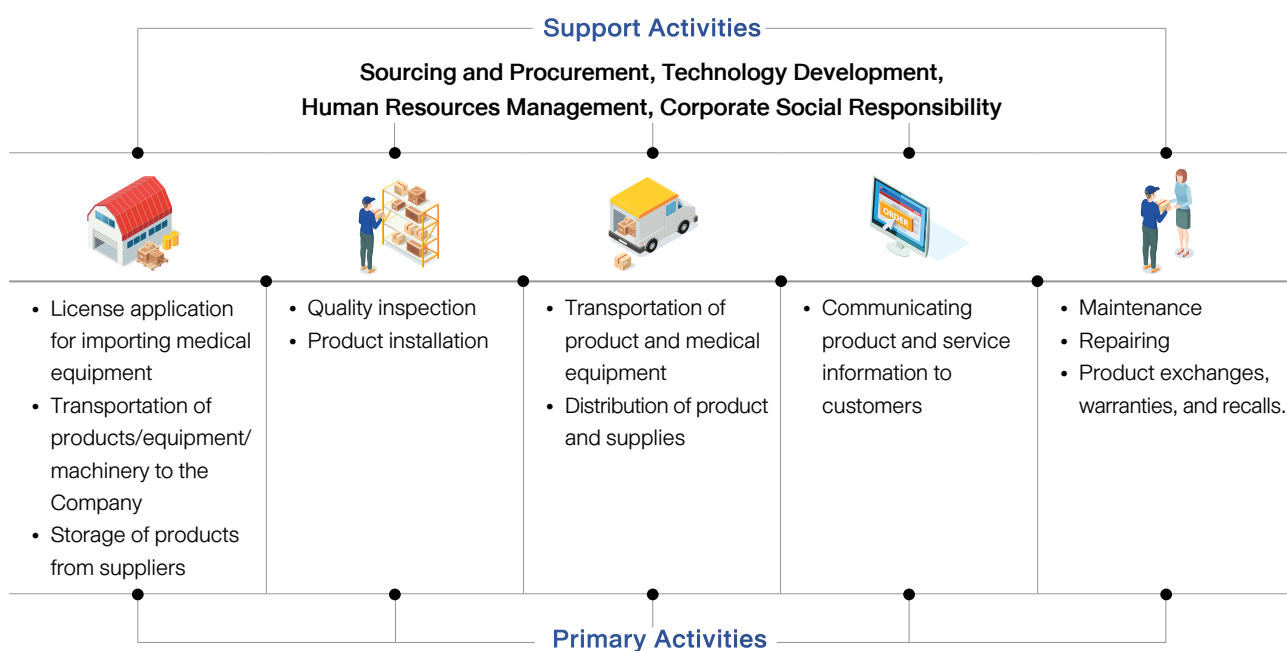
Business sustainability development under the oversight of the Board of Directors involves prioritizing balanced growth across three dimensions: the economy, society, and the environment. In addition, the Company also adheres to the participation in driving Sustainable Development Goals (SDGs) of the United Nations Organization according to the guideline of ESG (Environment, Social, Governance), covering the environmental, social, and good governance dimensions by emphasizing SDGs of the United States Organization for 11 main goals that are Goal 3, 4, 5, 6, 8, 9, 10, 11, 12, 13, and 17, corresponding to the Company's essence issues, but meanwhile also supporting other six goals, i.e. 1, 2, 7, 14, 15, and 16 to create the sustainable value for all parties of stakeholders.



### Managing Stakeholder Impacts in the Business Value Chain

#### Business Value Chain

1. Building relationships with customers by providing information about medical equipment
2. Purchasing and importing oversea medical equipment
3. Quality inspection of medical equipment
4. Training
5. Delivery of goods
6. Maintenance



## Stakeholders in the Business Value Chain

Stakeholders	Channel	Expectation	Key Operations
Patients	<ul style="list-style-type: none"> <li>• Participation in activities with customers and hospitals, especially those related to cancer patients.</li> </ul>	<ul style="list-style-type: none"> <li>• Receiving treatment from high-quality medical equipment.</li> <li>• Accessing treatment quickly and with modern technology.</li> </ul>	<ul style="list-style-type: none"> <li>• Distributing and installing high-quality medical imaging equipment</li> <li>• Establishing specialized cancer hospitals to provide patients with access to state-of-the-art technology</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• The Management communicates through middle management and/or various channels to convey messages directly to employees.</li> <li>• Annual performance evaluations.</li> <li>• Organizing training seminars to develop employees' skills</li> </ul>	<ul style="list-style-type: none"> <li>• Developing potential for progress and stability in work.</li> <li>• Receiving appropriate compensation and benefits.</li> <li>• Managing the work environment with a focus on workplace safety and employees' quality of life.</li> <li>• Strict compliance with labor laws.</li> </ul>	<ul style="list-style-type: none"> <li>• Managing compensation and benefits fairly and equitably.</li> <li>• Treating all employees equally and respecting human rights.</li> <li>• Providing opportunities for career path.</li> <li>• Offering training and promoting employee skill development.</li> <li>• Creating a work environment that prioritizes workplace safety.</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>• Shareholders' Meeting</li> <li>• The Company's website</li> <li>• Annual Report</li> <li>• Management Discussion and Analysis (MD&amp;A)</li> </ul>	<ul style="list-style-type: none"> <li>• Good returns</li> <li>• Operating responsibly towards society, the environment, and conducting business according to governance principles.</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate dividend payment.</li> <li>• Managing and developing the organization for sustainable growth.</li> <li>• Expanding the business to adapt to changes and mitigate risks of stagnation.</li> </ul>

Stakeholders	Channel	Expectation	Key Operations
Customers	<ul style="list-style-type: none"> <li>• Distributing quality medical equipment.</li> <li>• Visiting and meeting with customers.</li> <li>• Surveying customer satisfaction.</li> <li>• Providing training, knowledge, and various skills to customers or engaging in activities with customers.</li> <li>• Listening to feedback and addressing complaints.</li> </ul>	<ul style="list-style-type: none"> <li>• Delivering quality medical equipment.</li> <li>• Understanding customer needs, providing appropriate assistance and support.</li> <li>• Communicating, following up, and providing after-sales service within designated time frames.</li> <li>• Treating customers equally.</li> <li>• Maintaining confidentiality.</li> <li>• Setting fair prices.</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous development and responsiveness to customer needs.</li> <li>• Care and responsibility towards customers in terms of both quality and service.</li> <li>• Building confidence and creating a positive company image.</li> <li>• Surveying customer satisfaction.</li> <li>• Responsiveness and complaint management.</li> <li>• Anti-corruption stance with transparency in operations.</li> <li>• Integrity in data and confidentiality maintenance.</li> <li>• Prioritizing fair pricing under pricing policy.</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Holding discussions and conversations, documenting mutual agreements.</li> <li>• Exchanging ideas and providing feedback, suggestions for improvement and development.</li> </ul>	<ul style="list-style-type: none"> <li>• Adhering to trade terms and conditions.</li> <li>• Acting fairly towards business partners.</li> <li>• Promoting and supporting activities, and participating in problem-solving.</li> <li>• Operating within legal frameworks.</li> <li>• Anti-corruption.</li> </ul>	<ul style="list-style-type: none"> <li>• Adhering strictly to jointly agreed trade terms and conditions.</li> <li>• Treating suppliers with fairness and equality.</li> <li>• Providing suggestions and guidance for business development.</li> <li>• Communicating and providing accurate trade information.</li> <li>• Establishing procurement policies.</li> <li>• Not supporting or purchasing products that violate copyright or human rights.</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>• Disclosing financial information accurately, completely, transparently, and promptly.</li> <li>• Engaging in conversations, responding to questions, listening to feedback, and suggestions.</li> </ul>	<ul style="list-style-type: none"> <li>• Adhering to terms and agreements.</li> <li>• Treating the creditors fairly.</li> </ul>	<ul style="list-style-type: none"> <li>• Adhering to financial agreements and repayment of loans.</li> <li>• Treating creditors responsibly, avoiding exploitation.</li> </ul>
Competitors	<ul style="list-style-type: none"> <li>• Participating in activities organized by relevant associations to exchange information and explore new technologies related to medical equipment.</li> </ul>	<ul style="list-style-type: none"> <li>• Adhering to good competition practices in accordance with relevant regulations and laws.</li> </ul>	<ul style="list-style-type: none"> <li>• Not damaging the reputation of competitors.</li> <li>• Adhering to good competition practices.</li> <li>• Not infringing on the intellectual property or assets of others.</li> </ul>
Society, Community and Environment	<ul style="list-style-type: none"> <li>• Participating in community or social activities.</li> <li>• Listening to suggestions and complaints.</li> <li>• Whistleblowing of fraudulent acts or illegal acts.</li> </ul>	<ul style="list-style-type: none"> <li>• Promoting and supporting socially beneficial activities for the community and society.</li> <li>• Emphasizing the anti-corruption.</li> </ul>	<ul style="list-style-type: none"> <li>• Promoting and supporting activities related to society, community, and the environment.</li> <li>• Responding to and managing complaints.</li> <li>• Conducting fair investigations into acts of misconduct (if any).</li> </ul>

## Managing Sustainability in the Economic Dimension and Corporate Governance

### Product and Service Quality

The Company is committed to delivering quality medical equipment because patients are the direct users of the products distributed by the Company. Therefore, the Company aims to ensure that patients have access to advanced and modern technology for the treatment and improved quality of life.

### Responsibility Towards Customers

The Company places importance on treating customers with transparency, fairness, and accountability. It ensures continuous monitoring and takes responsibility for customers' needs, focusing on providing quality, standardized, safe, convenient, prompt, and timely services. The Company has a policy of prioritizing customer needs as agreed upon, developing relationships, and growing together with the company. This is achieved by closely monitoring and providing equal and consistent assistance to customers, as well as providing accurate and sufficient information and advice about the Company's products and services. The goal is to ensure the highest level of customer satisfaction.

Satisfaction	2023
Products	83.86%
Sales & Marketing	91.40%
Services	87.57%
Sales Support and Training	89.40%
Project Management	88.92%
Average	88.23%

In 2023, the Company set a customer satisfaction target of no less than 80%.

### Procurement and Treatment of Suppliers

The Company has established a procurement policy that included transparent processes and criteria for selecting suppliers fairly. It adheres to code of conduct regarding suppliers and competitors, rigorously preventing unfair competition. Additionally, it supports ethical business practices, integrity, and responsibility to society and the environment.

### Corporate Governance

The Company has established the corporate governance policy, code of conduct, and ethics as guidelines for the Board of Directors, Management, and Employees. This ensures efficient organizational management and sustainable growth.

## Sustainability Management in Social Dimension

	2021	2022	2023
Accidental Rate (person)	0	0	0
Employee Turnover Rate (%)	17.86	17.24	13.79
Average Employee Training Hours Per Year	11.22	10.12	16.67

In 2023, the Company set a goal for an average training hour of at least 12 hours per year per employee and successfully encouraged employee participation in training beyond the set target.

### Development of Human Resource

The Company places great importance on its employees, considering them vital to the successful achievement of its goals. The policy was established to foster the development of knowledgeable, skilled, and experienced personnel who conduct their work with integrity and honesty. Employees are expected to take responsibility for themselves and others, aiming to utilize their skills and knowledge to enhance the service to be excellence. They are encouraged to think innovatively and express creative ideas to expand and develop the business to meet customer needs, ensuring the Company's sustainable growth and prosperity. The Company provides continuous and regular training to the Management and staffs to enhance their capabilities in driving the organization to operate according to its vision and mission effectively.

#### 1. Fairness and Equality

The Company emphasizes fair treatment of employees and does not discriminate in any aspect of employment processes, including recruitment, compensation, working hours, holidays, task assignments, performance evaluations, training and development, and career path. Additionally, it takes measures to prevent unfair acts at all levels.

#### 2. Integrity

The Company emphasizes and adheres to the performance of duties with the honesty and integrity of employees at all levels.

#### 3. Respect for the Individuality of Employees

In establishing regulations as well as guidelines for resolving various issues, the Company considers and values the importance of accepting differences in thoughts, beliefs, and practices with respect. It also emphasizes the importance of self-respect and the lifestyle choices of employees as individuals.

#### 4. Enhancing the Quality of Life of Employees

The company is aware that quality of life is crucial for work efficiency and serves as a motivation for employees. This includes job satisfaction, work-life balance, stress levels from work, task variety to reduce monotony, and support for empowering employees with appropriate decision-making authority based on their abilities.

#### 5. Establishing Good Working Environment

The Company provides a safe, comfortable, and prideful working environment for its employees.



## **Treating Employees fairly**

The Company believes that human resources are the most important factor in conducting business, as they contribute to creating value and returns for the business. Given that various aspects of the Company's operations require knowledge, skills, as well as physical and mental efforts to achieve goals, the Company has established guidelines for the treating of employees. Management must treat them fairly and impartially, support the development of their potential, enhance their work efficiency, promote understanding of ethical practices, provide appropriate welfare benefits, and act with integrity by listening to feedback and suggestions in a reasonable manner.

The Company has policies that demonstrate awareness of safety, health, and the work environment, which are integral to the success of the business. The Company's employees must receive safety, good health, and work in a good environment. In this regard, the Company encourages employees to participate in basic fire fighting training and annual fire drill as required by law. Such sessions organized by the condominium juristic person where the Company's office is located.

Employees are the most valuable resource and a key factor in the success of the Company. Therefore, the company focuses on developing and fostering a culture and work environment, promoting teamwork, treating employees with respect. It adheres strictly to labor laws regarding hiring, appointment, and transfer, considering ethics and maximizing human resources' benefits to the Company. Additionally, there are policies in place to ensure fair compensation and welfare management, taking into account factors such as qualifications, experience, position, and responsibilities. Furthermore, the Company has a provident fund for executives and employees, annual health check-ups and outings.

## **Human Rights**

The Company is aware of and respects the dignity, rights, freedoms, and equality of individuals. It establishes policies to refrain from engaging in any activities that violate human rights and relevant laws, which includes the followings.

- Treating employees equally without discrimination based on physical or mental differences, race, nationality, religion, gender, language, age, skin color, education, social status, or any other factors.
- Avoiding actions that violate human rights and exercise caution in performing duties to prevent the risk of potential harm in conducting business operations.
- Not overlooking or ignoring incidents of human rights violations. Reporting them to the appropriate authority or person in charge and cooperate in investigating any doubts or questions, as well as seeking advice from supervisors or responsible individuals through the designated channels if needed.
- Providing fairness and protection to individuals who report human rights violations, using measures to safeguard whistleblowers and related individuals as outlined in the company's policy on reporting and complaint handling.
- Providing opportunities for employees and stakeholders at all levels to express their opinions freely through the company's suggestion channels.
- Giving importance to conducting business with suppliers who do not violate human rights.
- Adhering strictly to policies and guidelines.

In addition, the Company also provides opportunities for employees and stakeholders to communicate with the Company regarding any concerns related to ethical conduct in business operations, complaints, or suggestions. Employees and stakeholders can inquire, complain, provide feedback, and raise awareness through the independent directors or the company secretary directly via the following channels.

**1. Postal Mail:**

Independent Directors and Audit Committee Chairman (Complaint and Suggestion)  
Business Alignment Public Company Limited  
92/45 Sathorn Thani Building 2, 16th Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500

**2. E-Mail**

biz-cg@bizalignment.com

During the past year, there have been no instances where the Company violated labor laws, employment practices, consumer rights, environmental regulations, or human rights. Additionally, there have been no reported complaints or legal disputes between the Company and its subsidiary against competitors in the market.

**Collaborating with Community and Society**

Due to conducting business in the sale and installation of medical equipment for cancer treatment using radiotherapy, the Company has engaged with doctors, medical personnel, and cancer patients. This has led to an increased understanding and awareness among cancer patients on how to properly manage the disease. Consequently, the survival rates and quality of life for cancer patients in Thailand have improved.

- **Eastern Cancer Network Run**

Cancer Alliance Hospital, Sriracha (CAH), Thainakarin Hospital, Samrong General Hospital, and Saha Clinic Chachoengsao (SCC), under the Eastern Cancer Network of Thailand, along with supporters, organized the "Eastern Cancer Network Run". The proceeds, after deducting expenses, were donated to Buddhasothorn Hospital to aid cancer patients.



- **BIZ NEWS & KNOWLEDGE**

Various articles related to cancer treatment using radiation therapy had been published on the Company's website under the heading "BIZ NEWS & KNOWLEDGE." These articles aim to provide cancer patients and their relatives with knowledge and understanding of cancer treatment through radiation therapy.



- Cancer Talk

The Company, in collaboration with Art for Cancer by Ireal (Art of Life Social Enterprise), hosted a “Cancer Talk” event via live on Art for Cancer by Ireal Facebook page. This program provided knowledge about “Proton Radiation Therapy Technology” as well as information on side effects and self-care after treatment.



## Sustainability Management in Environmental Dimension

### Energy Management

Although the Company’s business operations may not directly impact the environment, it still prioritizes environmental care, conservation, and resource preservation. This is achieved by instilling environmental awareness among employees through knowledge and communication campaigns about basic environmental management practices. This fosters employee participation and responsibility towards the environment by promoting initiatives such as reducing water usage, controlling energy consumption, and advocating for environmental conservation and sustainable resource utilization.

	2021	2022	2023
Electricity Consumption (Unit)	64,645	59,258	61,293
Water Consumption (Unit)	6,128	5,704	5,547

**Remarks:** The Company’s office is located in a building under the management of the jurisdiction person. In addition to regular water usage, this also includes the consumption of hot water for air conditioning systems.

### Target for Energy Saving

In 2023, the Company set a target to reduce electricity and water consumption by no less than 2% compared to 2022. This target was surpassed for water usage and fell below the target for electricity usage. For the long-term goal of reducing energy consumption, the Company aims for a reduction of at least 10% from 2021 within 5 years (by 2026).

## Energy Management Measures

1. To encourage for using email instead of paper in regard to internal communication. It includes using paper judiciously by printing double-sided or using recycled paper. Additionally, verify documents for accuracy before printing to reduce the volume of printed materials.
2. To support and utilize environmentally-friendly products by selecting goods and products that are eco-friendly, purchasing products or packaging that can be refilled to reduce the impact that may arise from the packaging production.
3. To replace desktop computers, which consume approximately 200-250 watts of electricity, with laptops, which consume around 60-70 watts of power.
4. To promote energy and water saving projects in the office, aiming to instill a consciousness about resource-efficient usage and its value, including practices through internal communication channels.
5. To reduce the amount of waste by opting for products with larger packaging sizes instead of smaller ones and selecting products with minimal environmental impact.
6. To reuse items such as packaging for storing various household items, paper or plastic bags, both sides of the paper, shopping bags, and food containers that can be cleaned and reused.
7. To promote recycling by segregating and collecting recyclable office waste items such as desk calendars, staples, etc., for donation to organizations in need.

The Company had organized training sessions to provide knowledge and communication regarding environmental care policies and practices to new employees through the orientation. Additionally, for all levels of staff, communication is facilitated through supervisors and internal communication channels to instill environmental consciousness and encourage employee participation in environmental conservation both within and outside the organization.

## Greenhouse Gas Management

During the 27th Conference of the Parties (COP 27) to the United Nations Framework Convention on Climate Change, Thailand demonstrated its commitment to reducing greenhouse gas emissions in line with the targets set under the Long-term Low Greenhouse Gas Emission Development Strategies (LT-LEDS). Thailand also announced its goal of achieving carbon neutrality within 2065. This pledge is part of Thailand's long-term strategy to combat climate change and contribute to global efforts to mitigate its effects.

## Greenhouse Gas Management Measures

The Company places importance on greenhouse gas management to mitigate environmental impacts. Therefore, it had initiated various activities to support the reduction of greenhouse gas emissions during the operating processes. This includes incorporating technology to reduce resource consumption and advocating for the reduction of resource and energy usage within the Company, as follows:

1. Paper usage contributes to indirect greenhouse gas emissions (Scope 3), the Company used technology to reduce paper usage in meetings, storing documents and data electronically instead of in hard copy format.
2. Using electricity is an activity that contributes to greenhouse gas emissions. Therefore, the Company replaced its desktop computers, which consumed approximately 200-250 watts each, with laptops that use only 60-70 watts. Currently, laptops constitute 87.50% of the Company's computer usage.
3. Water usage is another activity that contributes to greenhouse gas emissions. Therefore, the Company advocates for water conservation and encourages employees to use water efficiently by turning off taps after use.
4. A consciousness had been instilled among employees in regard to the value of energy and resource conservation.



## Information from Financial Statements

The 2021 consolidated financial statements of Business Alignment Public Company Limited and its subsidiary were audited by Ms. Kornthip Vanichwisetkul, Certified Public Accountant No. 6947 of M.R. & Associates Company Limited. The type of auditor report was an unqualified opinion.

The 2022 consolidated financial statements of Business Alignment Public Company Limited and its subsidiary were audited by Mr. Piya Chaipruckmalakarn, Certified Public Accountant No. 7544, of EY Office Limited. The type of auditor report was an unqualified opinion with an emphasis of matters/others.

The 2023 consolidated financial statements of Business Alignment Public Company Limited and its subsidiary were audited by Mr. Piya Chaipruckmalakarn, Certified Public Accountant No. 7544, of EY Office Limited. The type of auditor report was an unqualified opinion.

### Statement of Financial Position

	Consolidated Statement as of					
	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
Cash and cash equivalents	323.37	17.89	233.71	16.62	624.45	42.26
Trade and other receivables	576.10	31.87	231.38	16.45	190.13	12.87
Inventories	311.69	17.24	316.08	22.48	84.12	5.69
Other current financial assets	3.19	0.18	31.59	2.25	38.04	2.58
Other current assets	88.34	4.88	143.86	10.22	100.73	6.82
<b>Total current assets</b>	<b>1,302.69</b>	<b>72.06</b>	<b>956.62</b>	<b>68.02</b>	<b>1,037.47</b>	<b>70.22</b>
Restricted bank deposits	114.90	6.37	79.94	5.68	80.79	5.47
Property, plant and equipment – net	370.09	20.47	349.49	24.85	338.24	22.89
Rights of use assets	5.01	0.28	3.33	0.24	1.63	0.11
Intangible assets	1.16	0.06	1.01	0.07	2.19	0.15
Deferred tax Assets	12.86	0.71	14.58	1.05	15.88	1.07
Other non-current assets	1.04	0.05	1.33	0.09	1.34	0.09
<b>Total non-current assets</b>	<b>505.06</b>	<b>27.94</b>	<b>449.68</b>	<b>31.98</b>	<b>440.07</b>	<b>29.78</b>
<b>Total assets</b>	<b>1,807.75</b>	<b>100.00</b>	<b>1,406.30</b>	<b>100.00</b>	<b>1,477.54</b>	<b>100.00</b>

**Consolidated Statement as of**

	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
	<b>Liabilities and shareholders' equity</b>					
Short-term borrowings from financial institutions	115.19	6.37	91.49	6.51	0.00	0.00
Trade and other payables	439.78	24.33	239.15	17.00	305.57	20.68
Current portion of long-term borrowings	13.07	0.72	32.70	2.33	13.88	0.94
Current portion of the lease liabilities	1.68	0.09	1.82	0.13	1.86	0.13
Income tax payable	45.17	2.50	18.95	1.35	25.18	1.70
Other current provisions	9.83	0.54	11.26	0.80	11.05	0.75
Other current financial liabilities	0.00	0.00	9.83	0.70	3.35	0.23
<b>Total current liabilities</b>	<b>624.72</b>	<b>34.55</b>	<b>405.20</b>	<b>28.82</b>	<b>360.89</b>	<b>24.43</b>
Non-current trade and other payables	87.04	4.82	70.71	5.03	102.27	6.92
Long-term borrowings	234.07	12.95	94.81	6.74	96.07	6.50
Lease liabilities	3.64	0.20	1.83	0.13	0.00	0.00
Provisions for employee benefits	9.54	0.53	9.83	0.70	11.17	0.76
Other non-current provisions	7.60	0.42	3.29	0.23	4.90	0.33
<b>Total non-current liabilities</b>	<b>341.89</b>	<b>18.91</b>	<b>180.47</b>	<b>12.83</b>	<b>214.41</b>	<b>14.51</b>
<b>Total liabilities</b>	<b>966.61</b>	<b>53.47</b>	<b>585.67</b>	<b>41.65</b>	<b>575.30</b>	<b>38.94</b>
<b>Shareholders' equity</b>						
Issued and paid-up share capital	200.00	11.06	300.37	21.36	300.37	20.33
Share premium on ordinary shares	222.33	12.30	225.54	16.04	225.54	15.26
Deficit on changes in percentage of shareholding in subsidiary	0.00	0.00	(7.74)	(0.55)	(7.74)	(0.52)
Retained earnings						
Legal reserve	22.00	1.22	28.85	2.05	33.00	2.23
Unappropriated	349.16	19.31	205.75	14.63	282.88	19.15
<b>Equity attributable to owners of the parent</b>	<b>793.49</b>	<b>43.89</b>	<b>752.77</b>	<b>53.53</b>	<b>834.05</b>	<b>56.45</b>
Non-controlling interests	47.65	2.64	67.86	4.82	68.19	4.61
<b>Total shareholders' equity</b>	<b>841.14</b>	<b>46.53</b>	<b>820.63</b>	<b>58.35</b>	<b>902.24</b>	<b>61.06</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,807.75</b>	<b>100.00</b>	<b>1,406.30</b>	<b>100.00</b>	<b>1,477.54</b>	<b>100.00</b>

## Statement of Comprehensive Income

### Consolidated Statement as of

	December 31, 2021		December 31, 2022		December 31, 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales of goods	2,593.12	88.38	786.41	63.67	1,148.65	67.63
Revenue from rendering of services	247.46	8.43	341.03	27.61	437.29	25.74
Revenue from construction	5.23	0.18	0.00	0.00	0.00	0.00
Revenue from hospital operations	74.95	2.55	98.14	7.95	103.03	6.07
Other income	13.38	0.46	9.62	0.77	9.43	0.56
<b>Total revenues</b>	<b>2,934.14</b>	<b>100.00</b>	<b>1,235.20</b>	<b>100.00</b>	<b>1,698.40</b>	<b>100.00</b>
Cost of sales of goods	2,039.01	69.49	622.36	50.39	911.60	53.67
Cost of rendering of services	196.14	6.68	278.37	22.54	367.91	21.67
Cost of construction	4.82	0.16	0.00	0.00	0.00	0.00
Cost of hospital operations	58.85	2.00	73.09	5.92	76.31	4.49
<b>Gross profit (excluding other income)</b>	<b>621.94</b>	<b>21.29</b>	<b>251.76</b>	<b>20.54</b>	<b>333.15</b>	<b>19.73</b>
Distribution costs	24.74	0.84	21.09	1.71	23.57	1.39
Administrative expenses	60.07	2.05	59.22	4.79	55.51	3.27
<b>Total expenses</b>	<b>2,383.63</b>	<b>81.24</b>	<b>1,054.13</b>	<b>85.34</b>	<b>1,434.90</b>	<b>84.49</b>
<b>Profit before financial costs and income tax</b>	<b>550.51</b>	<b>18.76</b>	<b>181.06</b>	<b>14.66</b>	<b>263.50</b>	<b>15.51</b>
Financial costs	24.21	0.83	14.34	1.16	11.78	0.69
<b>Profit before income tax</b>	<b>526.30</b>	<b>17.94</b>	<b>166.72</b>	<b>13.50</b>	<b>251.72</b>	<b>14.82</b>
Tax expense (revenue)	107.83	3.68	35.01	2.83	50.19	2.96
<b>Net income for the period</b>	<b>418.47</b>	<b>14.26</b>	<b>131.71</b>	<b>10.66</b>	<b>201.53</b>	<b>11.87</b>
Other comprehensive income	1.16	0.04	1.17	0.09	0.23	0.01
<b>Total comprehensive income for the year</b>	<b>419.63</b>	<b>14.30</b>	<b>132.88</b>	<b>10.76</b>	<b>201.76</b>	<b>11.88</b>
<b>Total comprehensive income for Majority Shareholders</b>	<b>420.33</b>	<b>14.33</b>	<b>133.43</b>	<b>10.80</b>	<b>201.18</b>	<b>11.85</b>
Total comprehensive income for Minority Shareholders	(1.86)		(1.72)		0.35	
Earnings per share (Baht / share) (based on par value of Baht 0.50)	0.70		0.22		0.33	

## Statement of Cash Flows

	Consolidated Statement		
	2021	2022	2023
	Million Baht	Million Baht	Million Baht
<b>Cash flows from operating activities</b>			
Profit (loss) before income tax	526.30	166.72	251.72
Depreciation and amortisation	20.35	22.71	20.38
Reduction of inventory to net realisable value	1.32	0.45	1.86
Unrealised loss (gain) on exchange rate	(1.86)	(0.86)	(0.40)
Unrealised (gain) loss on derivative	0.00	12.49	(6.63)
Provision for long-term employee benefits	0.00	1.67	1.64
Interest expenses	24.21	14.34	11.78
Interest income	(0.92)	(1.26)	(2.72)
Gain on sales of equipment	0.00	0.00	(0.03)
Written-off equipment and computer software	(0.22)	0.01	0.03
Profit from operating activities before changes in operating assets and liabilities	569.18	216.27	277.63
Decrease (increase) in operating assets			
Trade and other receivables	(427.42)	345.26	41.53
Construction contracts	7.19	0.00	0.00
Inventories	804.47	(4.83)	230.09
Other current assets	(49.38)	(55.52)	43.94
Other non-current assets	0.05	(0.29)	(0.01)
Increase (decrease) in operating liabilities			
Trade and other payables	(412.66)	(215.57)	98.71
Provisions paid	15.98	(2.88)	1.40
Employee benefit paid	(0.21)	0.00	0.00
Income tax paid	(72.36)	(63.73)	(46.14)
<b>Net cash provided by (used in) operating activities</b>	<b>434.84</b>	<b>218.71</b>	<b>647.15</b>



	Consolidated Statement		
	2021	2022	2023
	Million Baht	Million Baht	Million Baht
<b>Cash flows from investing activities</b>			
Interest received	1.06	1.28	2.43
Decrease (increase) in time deposits	(0.41)	(31.06)	(6.30)
(Increase) decrease in restricted bank deposits	(7.58)	34.95	(0.85)
Acquisitions of equipment and intangible assets	(1.41)	(0.28)	(8.70)
Proceeds from disposals of equipment	0.22	0.00	0.08
<b>Net cash flows provided by (used in) investing activities</b>	<b>(8.12)</b>	<b>4.89</b>	<b>(13.34)</b>
<b>Cash flows from financing activities</b>			
Interest paid	(13.56)	(14.49)	(11.97)
Increase in short-term borrowings from financial institutions	(134.28)	(23.70)	(91.49)
Proceeds from long-term borrowings	(7.38)	(119.61)	(17.56)
Payments of lease liabilities	(1.57)	(1.68)	(1.79)
Investments for capital increase in subsidiary from non-controlling interests	7.00	14.10	0.00
Proceeds from increase in share capital	0.00	3.59	0.00
Dividend paid	(159.98)	(171.08)	(120.15)
<b>Net cash flows provided by (used in) financing activities</b>	<b>(309.77)</b>	<b>(312.87)</b>	<b>(242.96)</b>
Effect from foreign exchange in cash and cash equivalents	(0.14)	(0.39)	(0.12)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>116.81</b>	<b>(89.66)</b>	<b>390.73</b>
Cash and cash equivalents at beginning of year	206.56	323.37	233.71
<b>Cash and cash equivalents at end of year</b>	<b>323.37</b>	<b>233.71</b>	<b>624.44</b>

## Key Financial Ratios

	2021	2022	2023
<b>Liquidity Ratio</b>			
Current ratio (times)	2.09	2.36	2.87
Quick ratio (times)	1.44	1.14	2.25
Cash flow (times)	0.48	0.42	1.69
Accounts receivable turnover ration (times)	8.27	3.04	8.06
Average collection period (days)	44	118	45
Inventory turnover ratio (times)	3.48	3.72	6.81
Average sale period (days)	104	97	53
Creditors' turnover ratio (times)	7.29	6.56	18.04
Repayment period (days)	49	55	20
Cash cycle (days)	98	160	78
<b>Profitability Ratio</b>			
Gross profit margin (%)	21.29	20.54	19.73
Operating margin (%)	18.39	13.99	15.04
Cash to profitability (%)	80.96	126.02	254.71
Net profit margin (%)	14.33	10.80	11.85
Return on equity (%)	63.42	17.26	25.36
<b>Efficiency Ratio</b>			
Return on assets (%)	21.89	8.30	13.95
Asset turnover (times)	1.53	0.77	1.18
<b>Financial Policy Ratio</b>			
Liabilities to shareholders' equity ratio (times)	1.15	0.71	0.64
Interest bearing debt to equity ratio (times)	0.46	0.27	0.12
Interest coverage ratio (times)	41.81	18.31	59.26
Debt service coverage ratio (Cash Basis) (times)	1.37	0.66	2.59
Dividend payout ratio (%) <sup>1</sup>	88.01 <sup>2</sup>	92.31 <sup>3</sup>	92.16 <sup>4</sup>

**Note:** <sup>1</sup> Dividend payout ratio was calculated from dividends paid divided by net profit for the year from separate financial statements after deduction of legal reserve.

<sup>2</sup> The Board of Directors' Meeting No.9/2021 approved the interim dividend payment from the operating results of 9-month period ended September 30, 2021, to shareholders in the amount of 0.25 baht per share for 400,000,000 shares, totaling 100,000,000.00 baht. The 2022 Annual General Meeting approved the dividend payment from the net profit of the year 2021 to the shareholders for 400,000,000 shares in the form of stock dividend (2 existing ordinary shares : 1 stock dividend) at 0.50 baht per share, totaling 100,000,000.00 baht, and cash dividend in the amount of 0.427777775 baht, totaling 371,111,111.00 baht. The total amount of dividend payment was 371,111,111.00 baht.

<sup>3</sup> The 2023 Annual General Meeting approved the dividend payment from the net profit of the year 2022 to shareholders in the amount of 0.20 baht per share for 600,734,989 shares, totaling 120,146,997.80 baht.

<sup>4</sup> The Board of Directors' Meeting No.1/2024 resolved to propose in the 2024 Annual General Meeting to approve the dividend payment from the net profit of the year 2023 to shareholders in the amount of 0.30 baht per share for 600,734,989 shares, totaling 180,220,496.70 baht.







## Management Discussion and Analysis

### Operating Results

Business Alignment Company Limited (“the Company”) engages in the distribution and installation of medical equipment for cancer treatment using radiotherapy. The products are imported from manufacturers specialized in equipment and technology for cancer treatment, known for their expertise and being among the leading providers globally. Additionally, the Company provides maintenance services for such medical equipment. The main customer groups include medical school-affiliated hospitals, cancer hospitals under the Ministry of Public Health, other government hospitals, healthcare agencies, and private hospitals.

The majority of the Company's revenue comes from selling products in project-based contracts. As a Solution Provider, the Company takes responsibility for various aspects, starting from structural work to systems such as electrical systems, cooling systems, and interior design, to prepare the facilities for installing radiation machines and other equipment. Afterward, the Company handles procurement, installation, and maintenance of various equipment related to radiation therapy, such as radiation machines, treatment planning systems, and other necessary accessories, ensuring that the products ordered by customers are operational.

The nature of the business results in the recognition of revenue from sales when projects are delivered. This means that the Company must undertake construction of radiation rooms, procure and install various equipment, and undergo acceptance inspection by the customer's Inspection Committee to recognize the revenue. The duration of work for each project ranges from 210 to 360 days. This is a factor that exposes the Company to the risk of revenue uncertainty and discontinuity if it fails to deliver the work within the planned accounting periods.

### An Overview of the Past Operating Results

For the operating results for the past three years from the year 2021-2023, The Company and its subsidiary had a main revenue from sales, rendering services, and construction was 2,920.76 million baht 1,225.58 million baht and 1,688.97 million baht respectively. Revenue from sales was 2,593.12 million baht, 786.41 million baht and 1,148.65 million baht respectively. The revenue from rendering of services was 247.46 million baht, 341.03 million baht and 437.29 million baht respectively. Revenue from construction in 2021 was 5.23 million baht and the revenue from hospital operations was 74.95 million baht, 98.14 million baht and 103.03 million baht respectively. For the year 2021, the Company and its subsidiaries had an increase in sales revenue due to the delivery of 13 projects, each exceeding 50 million baht, as well as the delivery of a project of center treating cancer patients with proton radiotherapy at King Chulalongkorn Memorial Hospital, amounting to 924.81 million baht. An increase in revenue from rendering of services was due to the revenue from genetic testing service of 0.11 million baht, radiation simulator relocation of 10.42 million baht and an increase in the amount of the service contract and revenue from building construction of customer's facilities, including an increase in revenue from hospital operations was due to an increase in the number of patients. In 2023, the Company and its subsidiary had an increase in the sales revenue. This increase resulted from the Company delivering 6 projects, compared to the 4 projects delivered the previous year. An increase in the revenue from rendering of services resulted from the higher amount of the maintenance service contracts, and an increase in revenue from hospital operations resulted from the higher amount of the patients.

The Company and its subsidiary had gross profits in the year 2021, 2022 and 2023 was 621.94 million baht, 251.76 million baht and 333.15 million baht and the gross profit margin was 21.29%, 20.54% and 19.73% respectively. The gross profit from sales was 554.11 million baht, 164.05 million baht, and 237.05 million baht. The gross profit margin from sales was 21.37%, 20.86% and 20.64%. The gross profit from rendering of services was 51.32 million baht, 62.66 million baht, and 69.38 million baht. The gross margin from rendering of services was 20.74%, 18.37%, and 15.87% respectively.

In the year 2021, the Company and its subsidiary had a gross profit from sales of 554.11 million baht or equivalent to gross profit margin of 21.37%. This was similar to the previous year, which was 21.06%.

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%. This was similar to the previous year, which was 21.37%.

In the year 2023, the Company and its subsidiary had a gross profit from sales of 237.05 million baht or equivalent to gross profit margin of 20.64%. This was similar to the previous year, which was 20.86%.

The Company and subsidiary had a net profit attributable to equity holder of the Company for the year 2021, 2022 and 2023 of 420.33 million baht, 133.43 million baht and 201.18 million baht respectively. The net profit margin was 14.33%, 10.80% and 11.85%.

For the year 2021, the Company and subsidiary had a net profit attributable to equity holder of the Company of 420.33 million baht and a net profit margin of 14.33% compared the previous year which was 44.40 million baht and 5.80%. The Company achieved its planned net profit margin, which was in line with the Company's normal range.

For the year 2022, the Company and subsidiary had a net profit attributable to equity holder of the Company of 133.43 million baht and a net profit margin of 10.80% compared the previous year which was 420.33 million baht and 14.33%. This decrease was due to a decrease in sales revenue.

For the year 2023, the Company and subsidiary had a net profit attributable to equity holder of the Company of 201.18 million baht and a net profit margin of 11.85%. This was similar to the previous year, which was 133.43 million baht and 10.80%.

## Analysis of Operating Results

### Revenue

The Company and its subsidiary had the total revenues in the year 2021, 2022 and 2023 were 2,934.14 million baht 1,235.20 million baht and 1,698.40 million baht respectively, with details as follows:

	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenue	2,593.12	88.38	786.41	63.67	1,148.65	67.63
Services Revenue <sup>/1</sup>	247.46	8.43	341.03	27.61	437.29	25.75
Construction Revenue <sup>/2</sup>	5.23	0.18	0.00	0.00	0.00	0.00
Hospital Operations Revenue <sup>/3</sup>	74.95	2.55	98.14	7.95	103.03	6.06
<b>Total Revenue from Sales and Service</b>	<b>2,920.76</b>	<b>99.54</b>	<b>1,225.58</b>	<b>99.23</b>	<b>1,688.97</b>	<b>99.44</b>
Other Revenue <sup>/4</sup>	13.38	0.46	9.62	0.77	9.43	0.56
<b>Total Revenue</b>	<b>2,934.14</b>	<b>100.00</b>	<b>1,235.20</b>	<b>100.00</b>	<b>1,698.40</b>	<b>100.00</b>

**Remarks:** <sup>/1</sup> It consists of: 1) radiological equipment service, which offers repair, maintenance, and software system upgrades for radiation machine and related equipment, and 2) cancer gene screening service.

<sup>/2</sup> The building construction for the installation of the radiation machine which began and completed in 2021.

<sup>/3</sup> The Company's subsidiary (Cancer Alliance Company Limited) operates a specialized hospital for cancer treatment.

<sup>/4</sup> Interests, profits gained from currency exchange, gain from adjustment of provisions and other income.



## Revenues from Sales, Services and Construction

The Company and its subsidiary had the main revenue for the year 2021, 2022 and 2023 of 2,920.76 million baht, 1,225.58 million baht and 1,688.97 million baht, representing 99.54%, 99.23% and 99.44% of total revenue for each year, respectively. It is categorized as follows:

### 1. Sales Revenue

The majority of the Company and its subsidiary's revenue comes from the sale and installation of medical equipment as part of project-based contracts. Revenue recognition occurs when the risk and rewards associated with ownership of the goods have been transferred to the buyer, typically when the customer gains control of the products. In 2021-2023, revenue was recognized at a specific point in time when customers took control of the goods. Given the nature of the Company's business, as mentioned earlier, this entails undertaking construction of radiation rooms (if applicable), procuring and installing various equipment, and undergo acceptance inspection by the customer's Inspection Committee to recognize the revenue. Additionally, the Company also generates revenue from the purchase and sale of other medical equipment, albeit with lower value compared to project-based sales.

In the year 2021, 2022 and 2023, sales revenues were 2,593.12 million baht, 786.41 million baht and 1,148.65 million baht or 88.38%, 63.67% and 67.63% of total revenue, respectively. In comparison, sales revenue during the year 2021-2023 showed that in the year 2021, the Company and its subsidiaries had sales revenue of 2,593.12 million baht which increased by 2,066.08 million baht or 392.01%. This increase was due to the delivery of 13 projects, each exceeding 50 million baht, as well as the delivery of a project of center treating cancer patients with proton radiotherapy at King Chulalongkorn Memorial Hospital, amounting to 924.81 million baht.

For the year 2022, the Company and its subsidiaries had sales revenue of 786.41 million baht which decreased by 1,806.71 million baht or 69.67%. This decrease was due to the delivery of 4 projects compared to the previous year which was 13 projects and the delivery of a project of center treating cancer patients with proton radiotherapy at King Chulalongkorn Memorial Hospital.

For the year 2023, the Company and its subsidiary had the sales revenue of 1,148.65 million baht, which increased by 362.24 million baht or 46.06 percent compared to the previous year, which was 786.41 million baht. This increase resulted from the Company delivering 6 projects, compared to the 4 projects delivered the previous year.

### 2. Services Revenue

The services revenue is generated from providing maintenance services for medical equipment after the expiration of the warranty period. This service ensures that the equipment continues to function efficiently throughout its lifespan. The Company typically enters into the maintenance agreements with customers on an annual basis, with revenue recognized on a monthly basis at a consistent rate each month. Additionally, the Company offers maintenance and procurement services for equipment outside the scope of the agreement. Customers request these services on an ad-hoc basis depending on the nature of the issues encountered, such as maintaining chiller systems, air conditioning systems, and cooling systems. Furthermore, the Company generates the revenue from upgrade services for software systems related to radiation therapy products. These upgrades aim to enhance the efficiency and accuracy of software systems, such as treatment planning software, ensuring improved performance. In addition, the Company offers genetic testing services for cancer risk finding, providing customers with additional healthcare services.

In the year 2021, 2022 and 2023, The Company and its subsidiary had the services revenues were 247.46 million baht, 341.03 million baht and 437.29 million baht or 8.43%, 27.61% and 25.74% of the total revenues, respectively.

In the year 2021, the Company and its subsidiary had services revenues of 247.46 million baht which increased by 50.96 million baht or 25.94% compared to the previous year. An increase in the services revenues was due to the revenue from genetic testing service of 0.11 million baht, radiation simulator relocation of 10.42 million baht and an increase in the amount of the service contract compared to the previous year.

In the year 2022, the Company and its subsidiary had services revenues of 341.03 million baht which increased by 93.57 million baht or 37.81% due to an increase in the amount of the service contract.

In the year 2023, the Company and its subsidiary had services revenues of 437.29 million baht which increased by 96.26 million baht or 28.23% compared to the previous year which was 341.03 million baht. This increase was resulted from an increase in the amount of the service contract.

### 3. Construction Revenue

It was generated from the building construction for the installation of the radiation machine which began and completed in 2021.

In the year 2021, the Company and its subsidiary had the construction revenue of 5.23 million baht. The revenue was gradually recognized as a percentage of completed contract costs compared to the estimated total construction costs. As of December 31, 2021, the Company recognized the construction revenue of the aforementioned projects totaling 100.00%.

### 4. Hospital Operations Revenue

Hospital operations revenue referred to the income generated by the Company's subsidiary (Cancer Alliance Company Limited) from operating a specialized hospital for cancer treatment. For the year 2021, 2022 and 2023, the Company and its subsidiary had the revenue from hospital operations of 74.95 million baht, 98.14 million baht and 103.03 million baht, respectively.

In the year 2021, the Company and its subsidiary had the revenue from hospital operations of 74.95 million baht which increased by 43.97 million baht or 141.95% compared to the previous year. This increase was resulted from an increase in the number of the patients due to the outbreak of the Coronavirus Disease 2019 ("COVID-19") The revenue had not achieved as it planned, but there was a consistent positive trend.

In the year 2022 and 2023, the Company and its subsidiary had the revenue from hospital operations of 98.14 million baht and 103.03 million baht which increased by 23.19 million baht and 4.89 million baht or 30.93% and 4.98% compared to the previous year, respectively. This increase was due to an increase in the number of the patients.

### **Costs and Gross Profit Margins**

In the year 2021, 2022 and 2023, the Company had the costs of sales, services, and construction was 2,298.82 million baht, 973.82 million baht and 1,355.82 million baht or 78.35%, 78.84% and 79.83% of total revenues respectively. The total gross profit of the Company was 621.94 million baht, 251.76 million baht and 333.15 million baht or a gross profit margin of 21.29%, 20.54% and 19.73% respectively. The total cost is 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

	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Costs of Sales of Goods	2,039.01	69.49	622.36	50.38	911.60	53.67
Costs of Rendering of Services	196.14	6.69	278.37	22.54	367.91	21.67
Costs of Construction	4.82	0.16	0.00	0.00	0.00	0.00
Cost of Hospital Operations	58.85	2.01	73.09	5.92	76.31	4.49
<b>Costs of Sales, Services and Construction</b>	<b>2,298.82</b>	<b>78.35</b>	<b>973.82</b>	<b>78.84</b>	<b>1,355.82</b>	<b>79.83</b>

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

	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Costs of Sales of Goods	2,039.01	78.63	622.36	79.14	911.60	79.36
Costs of Rendering of Services	196.14	79.26	278.37	81.63	367.91	84.13
Costs of Construction	4.82	92.20	0.00	0.00	0.00	0.00
Cost of Hospital Operations	58.85	78.51	73.09	74.48	76.31	74.08
<b>Total Costs</b>	<b>2,298.82</b>		<b>973.82</b>		<b>1,355.82</b>	

## Gross (Loss) Profit and Cost to Revenue Ratio by Type of Operation

	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Gross Profit from Sales of Goods	554.11	21.37	164.05	20.86	237.05	20.64
Gross Profit from Rendering of Services	51.32	20.74	62.66	18.37	69.38	15.87
Gross Profit from Construction	0.41	7.80	0.00	0.00	0.00	0.00
Gross (Loss) Profit from Hospital Operations	16.10	21.49	25.05	25.52	26.72	25.92
<b>Total Gross Profit</b>	<b>621.94</b>		<b>251.76</b>		<b>333.15</b>	
<b>Gross Profit Margin (%)<sup>1</sup></b>	<b>21.29</b>		<b>20.54</b>		<b>19.73</b>	

Remarks: <sup>1</sup> Gross 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

Cost of sales of goods comprise the following components: cost of medical equipment and other supplementary accessories, cost of facilities renovation for the installation of radiation equipment, labor costs, travel expenses, transportation costs, consultancy fees for project execution, as well as other miscellaneous expenses and estimated liabilities under warranty agreements. The cost of goods is the most significant portion, accounting for approximately 70-80% of the sales cost. The Company procures such equipment from various international and domestic suppliers. Regarding labor costs, the Company hires subcontractors for specific periods to carry out various construction tasks such as structural work, electrical systems, mechanical and air conditioning systems, and interior design. This approach may involve either labor and material contracts or labor-only contracts, aiming to streamline personnel and labor management burdens while enhancing project cost management efficiency.

In the year 2021, 2022 and 2023, the Company and its subsidiary had cost of sales of, 2,039.01 million baht, 622.36 million baht and 911.60 million baht. Gross profit from sales was 554.11 million baht, 164.05 million baht and 237.05 million baht. The gross profit margin of sales to revenues from the sales was 21.37%, 20.86% and 20.64 respectively.

For the year 2021, the Company and its subsidiary had the gross profit from sales of 554.11 million baht or equivalent to gross profit margin of 21.37% compared to the previous year which was 21.06%. This is normal gross margin of the project-based work.

For the year 2022, the Company and its subsidiary had the gross profit from sales of 164.05 million baht or equivalent to gross profit margin of 20.86%. This was similar to the previous year which was 21.37%.

For the year 2023, the Company and its subsidiary had the gross profit from sales of 237.05 million baht or equivalent to gross profit margin of 20.64%. This was similar to the previous year which was 20.86%.

## 2. Cost of rendering of services and gross profit margin from rendering of services

It is categorized as follows:

2.1 The cost of maintenance agreement and/or software upgrade services, which the Company arranges with manufacturers under a back-to-back contract for maintaining products within the scope of the manufacturer's service. In cases where customers require maintenance or encounter issues with the related products, the Company coordinates and oversees the manufacturer's maintenance or troubleshooting activities for the customers, without incurring any expenses.

2.2 The cost of labor and materials for servicing medical equipment provided to customers for service, maintenance, and procurement of equipment outside the scope of the back-to-back contract incurs when customers request service on an ad-hoc basis, depending on the nature of the issue.

2.3 The cost of genetic testing services

In the year 2021, 2022 and 2023, the Company and its subsidiary had cost of services of 196.14 million baht, 278.37 million baht and 367.91 million baht and gross profit from services during such periods of 51.32 million baht, 62.66 million baht and 69.38 million baht. The gross profit margin from services to revenues from services was 20.74%, 18.37% and 15.87% respectively.

In the year 2021, the Company and its subsidiary had gross profit from services of 51.32 million baht or equivalent to gross profit margin of 20.74%. This was similar to the previous year which was 20.00%.

In the year 2022, the Company and its subsidiary had gross profit from services of 62.66 million baht or equivalent to gross profit margin of 18.37%. This was similar to the previous year which was 20.74%.

In the year 2023, the Company and its subsidiary had gross profit from services of 69.38 million baht or equivalent to gross profit margin of 15.87%. This was similar to the previous year which was 18.37%.

### 3. Cost of construction

It was derived from the building construction for the installation of the radiation machine which began and completed in 2021.

In the year 2021, the Company and its subsidiary had gross profit margin from construction of 0.41 million baht or equivalent to gross profit margin of 7.80% which was in line with the budget of such project.

### **Distribution Costs**

Distribution costs 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 exhibition, etc. In the year 2021, 2022 and 2023, the Company's cost of sales was 24.74 million baht, 21.09 million baht and 23.57 million baht, or 0.84%, 1.71% and 1.39% of the total revenues respectively.

In the year 2021, the Company and its subsidiary had distribution cost of 24.74 million baht which increased by 10.67 million baht or 75.86% compared to the previous year. It was mainly due to the human resources costs.

In the year 2022, the Company and its subsidiary had distribution cost of 21.09 million baht which decreased by 3.65 million baht or 14.76% compared to the previous year. It was mainly due to the human resources costs.

In the year 2023, the Company and its subsidiary had distribution cost of 23.57 million baht which increased by 2.48 million baht or 11.74% compared to the previous year. It was mainly due to the 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 2021, 2022 and 2023 were 60.07 million baht, 59.22 million baht and 55.51 million baht, or 2.05%, 4.79% and 3.27% of the total revenues, respectively.

In the year 2021, the Company and its subsidiary had administrative expenses of 60.07 million baht which increased by 17.42 million baht or 40.84% compared to the previous year. It was mainly due to the human resources costs and the financial and legal advisory fees.

In the year 2022, the Company and its subsidiary had administrative expenses of 59.22 million baht. This was similar to the previous year.

In the year 2023, the Company and its subsidiary had administrative expenses of 55.51 million baht. This was similar to the previous year which was 59.22 million baht.

### **Expenses for Research and Development in Technology and Innovation**

As the Company engages in importing, distributing, and installing medical equipment for cancer treatment using radiotherapy, it does not have expenses for research and development in the production or innovation of products.

## Financial Costs

Financial expenses comprise interest expenses which resulted 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, interest on debt agreements, and interest expenses for hospital construction and medical equipment purchasing, etc. In the year 2021, 2022 and 2023, the Company had a financial cost of 24.21 million baht, 14.34 million baht, and 11.78 million baht, or 0.83%, 1.16% and 0.69%, of the total revenue respectively.

## Net Profit and Net Profit Margin

In the year 2021, 2022 and 2023, the Company and its subsidiary had a net profit of 420.33 million baht, 133.43 million baht and 201.18 million baht, respectively. In the year 2021, the net profit attributable to equity holder of the Company was 420.33 million baht which increased by 846.64%. In the year 2022, the net profit attributable to equity holder of the Company was 133.43 million baht which decreased by 68.26%. In the year 2023, the net profit attributable to equity holder of the Company was 201.18 million baht which increased by 50.78%.

∂In the year 2021, 2022 and 2023, the Company and its subsidiary had a net profit margin of 14.33%, 10.80% and 11.85% respectively.

In the year 2021, the Company and its subsidiary had net profit attributable to equity holder of the Company of 420.33 million baht, or equivalent to net profit margin of 14.33% compared to the previous year, which was 44.40 million Baht or equivalent to net profit margin of 5.80%. The Company achieved its planned net profit margin, which was in line with the Company's normal range.

In the year 2022, the Company and its subsidiary had net profit attributable to equity holder of the Company of 133.43 million baht, or equivalent to net profit margin of 10.80% compared to the previous year, which was 420.33 million baht or equivalent to net profit margin of 14.33%. This resulted from the 13 projects were delivered compared to the previous which 4 projects were delivered.

In the year 2023, the Company and its subsidiary had net profit attributable to equity holder of the Company of 201.18 million baht which increased by 67.75 million baht or 50.78% compared to the previous year which was 133.43 million baht. This was due to an increase in the sales and services revenues. The net profit margin was 11.85%. This was similar to the previous year which was 10.80%

## Return on Equity

In the year 2021, 2022 and 2023, the Company and its subsidiary had returns on equity of 63.42%, 17.26% and 25.36% respectively. In the year 2021, the return on equity increased due to an increase in revenues and net profit. In the year 2022, the return on equity decreased due to a decrease in net profit. In the year 2023, the return on equity increased due to an increase in revenues and net profit.

## Financial Position of the Company

### Total Assets

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had total assets of 1,807.75 million baht, 1,406.30 million baht and 1,477.54 million baht respectively.

### Current assets

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had total current assets of 1,302.69 million baht, 956.62 million baht and 1,037.47 million baht, representing 72.06%, 68.02% and 70.22% of the total assets, respectively.



- Cash and Cash Equivalents:

As of December 31, 2021, 2022 and 2023, the Company's cash and cash equivalents were 323.37 million baht, 233.71 million baht and 624.45 million baht, or 17.89%, 16.62% and 42.26%, of the total assets respectively. It consisted of petty cash, current deposits, and fixed deposits. In the year 2021, an increase in cash and cash equivalents was due to the payment receiving from trade accounts receivables for delivering project-based works in the fourth quarter. In the year 2022, a decrease in cash and cash equivalents was due to the dividend payment, the payment to trade account payable and the subsidiary' long-term loan repayment. In the year 2022, an increase in cash and cash equivalents was due to the payment receiving from trade accounts receivables for delivering project-based works in the fourth quarter.

- Trade Accounts and Other Receivables - Net:

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had a net value of trade accounts receivables and other accounts receivables of 576.10 million baht, 231.38 million baht and 190.13 million baht, or 31.87%, 16.45% and 12.87% of the total assets, respectively.

(Unit : Million Baht)	December 31, 2021	December 31, 2022	December 31, 2023
Trade Accounts Receivables	575.16	229.92	189.36
Less the Allowance for Doubtful Accounts	(0.00)	(0.00)	(0.00)
Trade Accounts Receivables - Net	575.16	229.92	189.36
Other Accounts Receivables - Net	0.94	1.46	0.77
<b>Total Trade Accounts and Other Receivables - net</b>	<b>576.10</b>	<b>231.38</b>	<b>190.13</b>

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. Since the main customers are medical school-affiliated 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 allowance for doubtful accounts had not been set. The Company has never encountered issues with collecting payments from customers; therefore, it has never experienced bad debts throughout its operation period.

Value of Trade Accounts Receivables	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Current</b>	<b>517.12</b>	<b>89.91</b>	<b>179.95</b>	<b>78.27</b>	<b>117.01</b>	<b>61.79</b>
<b>Overdue</b>						
- Not Over 3 Months	9.66	1.68	10.91	4.74	15.39	8.13
- 3-6 Months	4.30	0.75	1.12	0.49	2.84	1.50
- 6-12 Months	0.95	0.16	1.34	0.58	0.29	0.15
<b>Total Trade Accounts Receivables</b>	<b>532.03</b>	<b>92.50</b>	<b>193.32</b>	<b>84.08</b>	<b>135.53</b>	<b>71.57</b>
Unbilled Trade Receivables	43.13	7.50	36.60	15.92	53.83	28.43
<b>Trade Accounts Receivables - Net</b>	<b>575.16</b>	<b>100.00</b>	<b>229.92</b>	<b>100.00</b>	<b>189.36</b>	<b>100.00</b>

The Company has a policy of providing a credit term with trade receivables for a period not exceeding 90 days.

The above table showed the value of receivables sorted by aging which indicates that trade receivables were mainly current receivables that are not yet due for payment, which equals 517.12 million baht, 179.95 million baht and 117.01 million baht or 89.91%, 78.27% and 61.79% of total trade receivables as of December 31, 2021, 2022 and 2023 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.

- Inventories - Net:

As of December 31, 2021, 2022 and 2023, the Company had a net value of inventories of 311.69 million baht, 316.08 million baht and 84.12 million baht or 17.24%, 22.48% and 5.69% of the total assets, respectively.

	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Medical Equipment and Work in Progress	197.77	63.45	306.77	97.05	80.12	95.25
Spare Parts and Supplies	11.01	3.53	6.59	2.08	4.79	5.69
Medicines, Supplies and Other Materials	1.14	0.37	1.38	0.44	1.07	1.27
Goods in Transit	103.09	33.07	1.79	0.57	0.00	0.00
Less Allowance for Declining in Value of Inventories	(1.32)	(0.42)	(0.45)	(0.14)	(1.86)	(2.21)
<b>Inventories - net</b>	<b>311.69</b>	<b>100.00</b>	<b>316.08</b>	<b>100.00</b>	<b>84.12</b>	<b>100.00</b>

As of December 31, 2021, 2022 and 2023, the Company's Inventories were primarily products that were in the process of installation for the clients, valued at 197.77 million baht, 306.77 million baht and 80.12 million baht respectively.

In the year 2021, the Company and its subsidiary had an increase in inventories resulted from the products that were in the process of installation for the clients and goods in transit for 3 projects 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 an increase in inventories resulted from the products that were in the process of installation for the clients and goods in transit for 3 projects and less allowance for declining in value of inventories from Covid-19 Antigen Test Kit.

In the year 2023, the Company and its subsidiary had an increase in inventories resulted from the products that were in the process of installation for the clients and goods in transit for 1 project and less allowance for declining in value of inventories from robots and medicines.

- Other Current Financial Assets:

As of December 31, 2021, 2022 and 2023, the value was 3.19 million baht, 31.59 million baht and 38.04 million baht, or equivalent to 0.18%, 2.25% and 2.58% respectively. It resulted from a 12-month fixed deposit account and the forward contract.

- Other Current Assets:

As of December 31, 2021, 2022 and 2023, the valued was 88.34 million baht, 143.86 million baht and 100.73 million baht, or 4.88%, 10.22% and 6.82% of total assets respectively. It was due to the absence of bad debts is attributed to prepayment of service costs, advance payments for goods, pending refunds for purchased taxes, advance payments for expenses, and input taxes not yet due for payment.

### **Non-Current Assets**

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had total non-current assets of 505.06 million baht, 449.68 million baht and 440.07 million baht, representing 27.94%, 31.98% and 29.78% of the total assets, respectively.

- Restricted Bank Deposits

As of December 31, 2021, 2022 and 2023, these deposits valued 114.90 million baht, 79.94 million baht and 80.79 million baht or 6.37%, 5.68% and 5.47% of total assets. They were the saving accounts and the 3-12 months fixed deposit accounts for securing credit facilities.

- Property, Plant and Equipment - Net:

As of December 31, 2021, 2022 and 2023, the Company's net value of property, plant and equipment was 370.09 million baht, 349.49 million baht and 338.24 million baht or 20.47%, 24.85% and 22.89% of total assets, respectively. It consisted of lands, buildings, office supplies, office improvements, vehicles and medical equipment etc.

- Rights of Use Assets:

As of December 31, 2021, 2022 and 2023, the Company's had the rights of use assets of 5.01 million baht, 3.33 million baht and 1.63 million baht or 0.28%, 0.24% and 0.11% of total assets, respectively It consisted of the office lease agreement and medical equipment.

- Intangible Assets:

As of December 31, 2021, 2022 and 2023, the Company had the intangible assets of 1.16 million baht, 1.01 million baht and 2.19 million baht, or 0.06%, 0.07% and 0.15% of total assets, respectively, It consisted of the computer software used in the Company's operations.

- Other Non-Current Assets:

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had other non-current assets of 1.04 million baht, 1.33 million baht and 1.34 million baht or 0.05%, 0.09% and 0.09% of total assets. It consisted of the office rental deposit of 0.41 million baht, the subsidiary's electricity meter security of 0.48 million baht and the security deposit according to the subsidiary's service contract of 0.41 million baht.

## Sources of Funds

### Debt

#### Total Liabilities

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had total liabilities of 966.61 million baht, 585.67 million baht and 575.30 million baht, or 53.47%, 41.65% and 38.94% of the liabilities and shareholders' equity, respectively.

#### Current Liabilities

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had current liabilities of 624.72 million baht, 405.20 million baht, and 360.89 million baht, or 34.55%, 28.82% and 24.43% of liabilities and shareholders' equity, respectively.

- Short-Term Borrowing from Financial Institutions:

As of December 31, 2021, 2022 and 2023, they were 115.19 million baht, 91.49 million baht and 0.00 million baht or 6.37%, 6.51% and 0.00 of liabilities and shareholders' equity respectively. They were promissory note and trust receipts for medical equipment purchasing.

- Trade and Other Payables:

As of December 31, 2021, 2022 and 2023, they were 439.78 million baht, 239.15 million baht and 305.57 million baht or 24.33%, 17% and 20.68% of liabilities and shareholders' equity respectively.

(Unit: Million Baht)	December 31, 2021	December 31, 2022	December 31, 2023
Trade Accounts Payables	209.66	62.03	83.82
Current Portion of Long-Term Trade Payables	20.76	4.50	0.00
Accrued Expenses	3.21	5.18	5.18
Advances from Other Customers and Unearned Revenue	186.36	160.81	200.91
Other Accounts Payables	19.79	6.63	15.66
<b>Total Trade Accounts and Other Payables</b>	<b>439.78</b>	<b>239.15</b>	<b>305.57</b>

From the above information, most payables were trade payables from the purchasing of various oversea medical equipment to for the ongoing projects. Other payables consisted of accrued expenses and deposit from customers advances service extended warranty from other customers and unearned revenue etc.

- Other Current Provisions:

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had the outstanding liabilities under contractual warranties of 9.83 million baht, 11.26 million baht and 11.05 million baht or 0.54%, 0.80% and 0.75% of liabilities and shareholders' equity, respectively. Other non-current provisions were 7.60 million baht, 3.29 million baht and 4.90 million baht, or 0.42%, 0.23% and 0.33%, which they were the provisions for the contractual product warranties provided after delivery. The costs of which were the Company's responsibility since such warranty provisions were not provided by the manufacturer.

- Other Current Financial Liabilities:

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had other current financial liabilities of 0.00 million baht, 9.83 million baht and 3.35 million baht or 0.00%, 0.70% and 0.23% of liabilities and shareholders' equity. It was fair value of forward contracts.



## Non-Current Liabilities

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had non-current liabilities of 341.89 million baht, 180.47 million baht and 214.41 million baht, or 18.91%, 12.83% and 14.51% of liabilities and shareholders' equity respectively.

- **Non-Current Trade and Other Payables:**

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had non-current trade and other payables of 87.04 million baht, 70.71 million baht and 102.27 million baht or 4.82%, 5.03% and 6.92% of liabilities and shareholders' equity, respectively. It consisted of long-term trade payables and non-current unearned revenue.

- **Long-Term Borrowings:**

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had Long-term borrowings of 234.07 million baht, 94.81 and 96.07 million baht or 12.95%, 6.74% and 6.50% of liabilities and shareholders' equity, respectively. It was long-term borrowings for construction hospital and medical equipment purchasing which was due within one year of 13.07 million baht, 32.70 million Baht and 13.88 million baht, respectively.

- **Liabilities under Lease Agreements:**

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had lease liabilities of 3.64 million baht, 1.83 million baht and 0.00 million baht, or 0.20%, 0.13% and 0.00% of the liabilities and shareholders' equity respectively. It consisted of liabilities under the Company's office lease agreement and the medical equipment lease agreement of the subsidiary. These were due within one year of 1.68 million baht, 1.82 million baht and 1.86 million baht respectively.

## Shareholders' Equity

As of December 31, 2021, 2022 and 2023, the shareholders' equity of the Company was 793.49 million baht, 752.77 million baht and 834.05 million baht or 43.89%, 53.53% and 56.45% of the liabilities and shareholders' equity respectively.

- **Registered Capital:**

As of December 31, 2021, 2022 and 2023, the shareholders' equity of the Company and its subsidiary was 220 million baht, 330 million baht and 330 million baht. In 2021, the Company's registered capital was increased 20 million baht for 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 2022, the Company's registered capital was increased 110 million baht to accommodate the stock dividend and the exercise of the BIZ-W1 warrants not exceeding 220,000,000 shares at par value of baht 0.50.

- **Issued and Paid-Up Share Capital:**

As of December 31, 2021, 2022 and 2023, the Company had a paid-up share capital of 200.00 million baht, 300.37 million baht and 300.37 million baht respectively. In the year 2022, Issued and paid-up share capital was increased due to the stock dividends of 99.98 million baht and the exercise of the warrants (BIZ-W1) of 0.39 million baht.

- **Premium on Ordinary Shares:**

As of December 31, 2021, 2022 and 2023, the Company had a share premium of 222.33 million baht, 225.54 million baht and 225.54 million baht representing 12.30%, 16.04% and 15.26% of total liabilities and shareholders' equity. In the year 2022, an increase in a share premium due to the exercise of the warrants (BIZ-W1) of 3.21 million baht.

- Deficit in Changes in Percentage of Shareholding in Subsidiary:

As of December 31, 2022, the Company and its subsidiary had a deficit in changes in percentage of shareholding in subsidiary of (7.74) million Baht or (0.55%) of total liabilities and shareholders' equity. It resulted from change in the percentage of shareholding in the subsidiary which did not result in a loss of control from cash payment for purchase of investments in subsidiary of 31.40 million baht, less adjusted non-controlling interests of the subsidiary of 23.66 million baht.

- Legal Reserve:

As of December 31, 2021, 2022 and 2023, the Company had a legal reserve of 22.00 million baht, 28.85 million baht and 33.00 million baht representing 1.22%, 2.05% and 2.23% of total liabilities and shareholders' equity respectively. The legal reserve was increased by 2 million baht, 6.85 million baht and 4.15 million baht, representing 0.47%, 5% and 2.08% of net profit. It was 10%, 8.74% and 10% of the Company's registered capital respectively.

- Retained Earnings:

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had unallocated earnings of 349.16 million baht, 205.75 million baht and 282.88 million baht, representing 19.31%, 14.63% and 19.15% of total liabilities and shareholders' equity respectively.

	2021	2022	2023
Unallocated Earnings, January 1	89.83	349.16	205.75
Total Comprehensive Income for the Year	421.33	134.50	201.43
Legal Reserve	(2.00)	(6.85)	(4.15)
Stock Dividend	0.00	(99.98)	0.00
Dividend Payment (Cash)	(160.00)	(171.08)	(120.15)
<b>Unallocated Earnings, December 31</b>	<b>349.16</b>	<b>205.75</b>	<b>282.88</b>

### Debt to Equity Ratio

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had a ratio of debt to equity of 1.15 times, 0.71 times and 0.64 times respectively and interest-bearing debt to equity ratio of 0.46 times, 0.27 times and 0.12 times.

### Interest Coverage and Debt Service Coverage Ratios

In the year 2021, 2022 and 2023, the Company and its subsidiary had an interest coverage ratio of 41.81 times, 18.31 times and 59.26 times respectively. Referring to the earlier information, 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 such accounting period or not. In the year 2021, the Company had an increase in cash flow from operations and interest coverage ratio. It was due to an increase in net profit and a decrease in inventory. In the year 2022, the Company had a decrease in cash flow from operations, resulted in a decrease in interest coverage ratio.

In the year 2023, the Company had an increase in net profit and a decrease in inventory, resulted in an increase in cash flow from operations and interest coverage ratio.

In the year 2021, 2022 and 2023, the Company and its subsidiary had a ratio of debt service coverage of 1.37 times, 0.66 times and 2.59 times respectively. It was due to 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.

## Liquidity

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had current assets of 1,302.69 million baht, 956.62 million baht and 1,037.47 million baht, or 72.06%, 68.02% and 70.22% of total assets respectively.

As of December 31, 2021, 2022 and 2023, the Company and its subsidiary had current liabilities of 624.72 million baht, 405.20 million baht and 360.89 million baht or 34.55%, 28.82% and 24.43% of the liabilities and shareholders' equity respectively.

The changes in such current assets and current liabilities resulted in the Company and its subsidiary's liquidity ratio for the year 2021, 2022 and 2023 was 2.09 times, 2.36 times and 2.87 times and the quick ratio was 1.44 times, 1.14 times and 2.25 times respectively. In the year 2021 and 2022, the Company and its subsidiary had an increase in liquidity ratio level and a decrease in short term borrowings from financial institutions and trade payables. In the year 2023, the Company had an increase in liquidity ratio level. It was due to an increase in cash and cash equivalents and a decrease in short term borrowings from financial institutions.

## Cash Cycle

As of December 31, 2021, 2022 and 2023, the Company had a cash cycle of 98 days, 160 days and 78 days respectively. Referring to the earlier information, it can be observed that the Company had a relatively long average cash cycle as the Company was engaged primarily in the project-based works, which took a long period of time to complete. As a result, the Company's inventories were high which led to a low inventory turnover ratio and a long sale period. The average collection period of the Company was prolonged as well, since the Company delivered and billed for the high-value projects at the end of the year. It resulted in an increase in year-end trade accounts receivable. Consequently, the accounts receivable turnover ratio was lowered. Additionally, the purchasing from foreign or local manufacturers required a short period of repayment which led to a high creditor turnover ratio and a low repayment period.

Also, it could be observed that the cash turnover ratio fluctuated throughout such period due to the unique nature of the business of the Company, which revenue would only be recognized when transfer of control over products to customers was complete.

## Cash Flow for the Year 2023 Ended December 31, 2023

- Net Cash Provides by (Used in) Operating Activities  
The Company had cash flows from operating activities of 647.15 million baht. It was mainly due to the delivery of high-value projects. It resulted in an increase in net profit and a decrease in inventory.
- Net Cash Provides by (Used in) Investing Activities  
The Company had net cash used in investing activities of (13.34) million baht. It was due to an increase in fixed deposit accounts of 6.30 million baht and the asset acquisition of 8.70 million baht.
- Net Cash Provides by (Used in) Financing Activities  
The Company had cash flows used in financing activities of (242.96) million baht. It was due to a significant outflow of cash payment of interest of 11.97 million baht, the payment of short-term borrowings from financial institutions of 91.49 million baht, the repayment of long-term loan of 17.56 million baht and dividend payment of 120.15 million baht.

## Factors Which May Affect the Company's Future Operations

Due to the nature of the business and the unique characteristics of the Company's products, both in terms of technology and business model as previously mentioned, the Company have factors that might affect its operational performance as follows:

1. Standard accounting practice states that the Company must recognize its revenue only when it has completely transferred the risks associated with the product to the customer. For high-value project works, which typically take 210-360 days (from the date of the sale contract) to complete and deliver to the customer, the entire revenue can be recognized upon project completion and delivery. Therefore, if the Company fails to deliver the project within the planned accounting period, and if the delayed project is a high-value one, the Company faces the risk of revenue discontinuity in each accounting period because it has to defer revenue recognition to the next accounting period.
2. With specialty products having an average lifespan of about 12-15 years, coupled with the potential for lengthy development and testing periods for radiation therapy technology changes, it has led to a unique market condition for the Company's business. Specifically, the Company's customer base tends to be niche-focused, primarily serving customers in the healthcare sector. This limits the market demand and requirements for the Company's products to these specialized customer groups, or it may be constrained by the relatively long lead times for ordering new products to replace old ones. Therefore, these factors pose a risk to the Company's long-term revenue expansion capabilities, as they may lead to revenue discontinuity and uncertainty in the future.
3. The interest rate risk, which may arise from future changes in interest rates in the market, could affect the Company due to its borrowings from financial institutions. However, the majority of the Company's financial assets and liabilities have interest rates that are either adjusted according to market rates or have fixed interest rates closely aligned with current market rates. Therefore, the interest rate risk for the Company is considered low.
4. The credit risk arises from the possibility that the trading counterparties may not be able or willing to fulfill the agreements made. However, the Company does not have significant credit risk exposure as it regularly assesses the financial status of its debtors. Additionally, the majority of the Company's trade debtors are government entities, further reducing the credit risk.
5. The foreign exchange risk arises from the Company's purchases of goods and expenses incurred in foreign currencies, particularly for products imported for high-value projects. However, the Company manages this risk by entering into forward contracts for foreign currency transactions in advance. Consequently, the risk stemming from exchange rate fluctuations is minimal.
6. The liquidity risk is monitored by the Group through tracking the risk of illiquidity resulting from borrowing from financial institutions and lease agreements. The Group has assessed the vulnerability associated with borrowing money to repay existing debts and concluded that the risk is low. Additionally, the Group has sufficient access to diverse sources of capital.

However, according to projections from the World Health Organization (WHO), the trend suggests an increase in cancer patients in Thailand. Currently, Thailand lacks radiotherapy machines. Consequently, the Company anticipates continuous demand for its products from its target customer groups. Allocating budget to meet the needs of both public and private hospitals for purchasing the Company's products to meet current and future patient needs is seen as necessary. This presents an opportunity for affiliated institutions to consider investing in the Company's products.





## Corporate Governance

The Company operates with transparency and fairness within the framework of the Company's code of conduct and on the basis of balance and sustainability. The Board serves as a good example in adhering to corporate governance principles and code of conduct, with the aim of developing the organization to be a model in corporate governance. This is outlined in the Company's vision, emphasizing the belief that effective corporate governance is a management system that fosters justice, transparency, and long-term value creation for shareholders, instilling confidence in all stakeholders and supporting the Company's competitiveness and sustainable growth.

The Board of Directors, responsible for overseeing corporate governance, has approved the corporate governance policy and practices for monitoring the compliance of the Board of Directors and executives with this policy. They regularly review and assess the practices to ensure their appropriateness for the business operations. Additionally, the Company communicates the corporate governance policy to all employees through internal communication channels.

"Good corporate governance" under these principles means governance that aims to sustainably create value for the business, beyond just instilling confidence in investors. The Board should oversee the business with a focus on achieving governance outcomes as follows:

1. To be able to compete and demonstrate good operating results, taking into account long-term impact.
2. To conduct business ethically, respect rights, and take responsibility towards shareholders and stakeholders.
3. To contribute to the benefit of society, and develop or minimize negative environmental impacts.
4. To be adaptable to changes in various circumstances.

The Company's corporate governance includes the practices as follows:

- |             |   |
|-------------|---|
| Principle 1 | Establish Clear Leadership Role and Responsibilities of the Board |
| Principle 2 | Define Objectives that Promote Sustainable Value Creation         |
| Principle 3 | Strengthen Board Effectiveness                                    |
| Principle 4 | Ensure Effective CEO and People Management                        |
| Principle 5 | Nurture Innovation and Responsible Business                       |
| Principle 6 | Strengthen Effective Risk Management and Internal Control         |
| Principle 7 | Ensure Disclosure and Financial Integrity                         |
| Principle 8 | Ensure Engagement and Communication with Shareholders             |

In 2023, there have been no cases of non-executive directors resigning, as the issues related to corporate governance, including any negative impact on the Company's reputation due to failures in oversight by the board, have been effectively managed.

Corporate Governance Policy is disclosed under "Policies" in the 'Sustainability' section, accessible through the Investment Relation segment on the Company's website. (<https://www.bizalignment.com/policies/>)

### Board of Directors

The Board consists of directors with appropriate and necessary qualifications, knowledge, skills, experience, character traits and age balance in order to achieve the Company's objectives and goals. The Company's Board of Directors comprise of 7 members, 4 of whom are independent directors and 3 of whom are executive directors. The majority of the Board are independent directors and therefore can exercise objective and independent judgements. All independent directors possess the qualifications in accordance with the criteria set by SEC and SET.

### Definition of “Independent Director”

The Board of directors approved the definition of an independent director of the Company, which meant a person who possess all qualifications and independence that is in accordance with the criteria of the Capital Market Supervisory Board. At present, the said regulations stipulate the following qualifications of independent directors.

- (a) holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, including the shares held by related persons of such independent director;
- (b) neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of appointment. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the company;
- (c) not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the company or its subsidiary;
- (d) not having a business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor having been a significant shareholder or controlling person of any person having business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment.

The term ‘business relationship’ aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the company or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences;

- (e) neither being nor having been an auditor of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years from the date of appointment;

- (f) neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million baht from the company, its parent company, subsidiary, associated company, major shareholder or controlling person, and neither being nor having been a significant shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended not less than two years from the date of appointment;
- (g) not being a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the company's major shareholder;
- (h) not operate any business which has the same nature as and is in significant competition with the business of the company or subsidiary, or not being a principal partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or not holding shares exceeding one per cent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the company or subsidiary;
- (i) not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

After having been appointed as independent director with qualifications complying with the criteria under (a) to (i) of the first paragraph, the independent director may be assigned by the board of directors to take part in the business decision of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, providing that such decision shall be in the form of collective decision.

### Nomination of Board Members

The Nomination and Remuneration Committee will be responsible for the nomination of new directors. A meeting will be held to consider criteria and methods for selecting candidates to ensure the appointment of directors with the qualifications that will contribute to the Company. The following matters will be taken into consideration as part of the selection criteria: the structure of the Board of Directors, which shall consist of members in the number that is suitable for the size and business strategy of the Company, the board diversity, including but not limited to, race, religion, national origin and gender, the appropriateness of the qualifications and skills of the director(s) that are necessary but lacking in the Board of Directors. The Board Skill Matrix will be used to identify the required qualifications. Each candidate for a Company directorship must have the qualifications prescribed by the SET, the SEC and the Public Limited Companies Act, and must be nominated by the Nomination and Remuneration Committee to the Board and to the shareholders' meeting. Additional details in regard to method of appointment of Directors have been disclosed under "Corporate Governance Structure".

### Nomination of the Chief Executive Officer

The Chief Executive Officer shall be nominated by the Executive Committee and selected from candidates holding the positions in the Executive Committee. The selection may also involve considering suitable candidates through an initial screening by the Nomination and Remuneration Committee based on the qualifications outlined in the succession plan. The candidate will then be proposed to the Board of Directors for appointment.

### Performance Assessment of Chief Executive Officer

The Nomination and Remuneration Committee, responsible for considering criteria for evaluating the performance of senior executive (CEO), involves the Board of Directors in assessing the CEO's performance. The Company Secretary then reports the evaluation results to the Board of Directors. The criteria for performance evaluation are as follows:

1. Leadership
2. Strategy formulation
3. Execution of strategies
4. Financial planning and performance
5. Relationship with the Board of Directors
6. External relationships
7. Management skills and employee relations
8. Succession Plan
9. Product and service knowledge
10. Personal characteristics

### Succession Plan

The Nomination and Remuneration Committee develops and reviews policies and procedures for selecting senior executives and specialized experts, including succession planning for unexpected vacancies due to retirement or other circumstances. This transparent process evaluates candidates' knowledge, abilities, experience, and ethical qualities to propose qualified individuals for Board consideration and appointment.

### Audit Committee.

Audit Committee must be appointed either by the Board of Directors or the shareholders' meeting. It must consist of at least three members who meet the qualifications in accordance with relevant securities laws, SET regulations, and rules. At least one member of the Audit Committee must possess knowledge in accounting and finance. The term of office for Audit Committee members is three years from the date of appointment. After completing the term, if the Board of Directors or the shareholders' meeting has not appointed a new Audit Committee, the existing committee shall continue to perform its duties until a new Audit Committee is appointed. The Audit Committee members must be independent and possess the following qualifications.

1. Not being a director who has been assigned by the Board to make decisions on the operations of the Company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person
2. Not being a director of the parent company, subsidiaries, or same-level subsidiary for listed companies.
3. Having sufficient knowledge and experience to perform the duties of an Audit Committee Member, with at least one Audit Committee Member possessing adequate knowledge and experience to review the creditability of financial statements.
4. Having responsibilities similar to those specified in the regulations of the Stock Exchange of Thailand regarding the qualifications and scope of duties of the Audit Committee.

### Nomination and Remuneration Committee

Nomination and Remuneration Committee must be appointed by the Board of Directors. It must comprise at least three members, the majority of whom should be independent directors or non-executive directors. In this regard, one member, who must be an independent director, shall be pointed as Nomination and Remuneration Committee Chairman.

### Executive Committee

The Executive Committee shall comprise directors and/or executives and/or employees of the Company, or other suitable individuals, appointed in a number determined by the Board of Directors. One member shall be appointed as the Executive Committee Chairman.

### Non-management Meeting

The meeting without the attendance of Management has been arranged for non-executive directors as appropriate. It provided an opportunity for non-executive directors to freely discuss various issues occurring in the Company and propose recommendations for the Company's development.

In 2023, the non-executive directors attended one non-management meeting, and the Chairman of the Board shared a summary of the meeting with Management as a guideline to enhance the Company.

### Remuneration for the Board of Directors and the Sub-committees

Nomination and Remuneration Committee determines the remuneration for directors and sub-committee members based on criteria that consider performance, industry's benchmark, operating results, the Company's size, and responsibilities. This remuneration, for both directors and sub-committee members, must be approved at the shareholders' meeting.

### Supervision on the Operations of the Subsidiaries and the Associated Companies

The Board of Directors emphasizes and establishes mechanisms to oversee the operations, ensuring control, management supervision, and responsibility for the subsidiaries and associated companies. This is aimed at safeguarding the benefits in the invested capital of these entities. For instance, considering appointing the Company's representatives as directors, executives, or controlling persons in subsidiaries and associated companies, in proportion to the shareholding. Those appointed as directors in subsidiaries and associated companies have the responsibility to act in the best interests of these entities.

For the subsidiary, the Company has established an appropriate and sufficient internal control system, incorporating various oversight mechanisms. For example, mechanisms are in place to ensure disclosure of financial status and operating results, transactions between the subsidiary and related parties, acquisitions or disposals of assets, or any other significant transactions are complete and accurate. This oversight includes ensuring the proper collection and recording of the subsidiary's accounting information, allowing the Company to examine and consolidate financial statements promptly as required.

### Orientation

An orientation for new directors is organized to ensure they have knowledge and understanding of the Company's business and relevant regulations. This includes providing basic information about the Company, such as its organizational structure, Management team, operational characteristics, core products, the Company's regulations, laws related to the Company, and requirements of SEC and SET. This orientation equips new directors with an understanding of the Company's operations, roles, and responsibilities as directors or independent directors. In addition, certificate programs on corporate governance practices are arranged for new directors.

### Development of Directors and Management

The Company's directors, management and employees are constantly encouraged to develop their skills by attending various internal and external training courses, e.g. SET, SEC and the Thai Institute of Directors, etc. Details of the training previously undertaken by each director, Management and Company Secretary are outlined in Report on Key Operating Results on Corporate Governance and Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit."

## IT Security Policy

The Board of Directors has emphasized information technology security and has enforced standards for maintaining the security of information technology systems within the Company. They oversee compliance from the directors, executives, employees, as well as related external parties. These standards include various guidelines related to the Company's information technology systems that align with international standards. For example, encryption to prevent unauthorized access, management of user authentication (username and password), authorization and approval for network access, secure connection and storage of important the Company's data, safeguarding data confidentiality, integrity, and availability, as well as preventing unauthorized use of data.

## Anti-corruption

The Company has guidelines in place for directors, executives, and employees, prohibiting them from seeking or receiving money, benefits, or items that are not reasonable, fair, or beyond normal expectations from stakeholders in the Company's operations. This includes refraining from seeking or receiving money, benefits, or items from individuals or entities engaged in business with the Company, whether directly or indirectly, to ensure reciprocal benefits or to anticipate benefits related to the Company's work. Training sessions are conducted to educate employees in regard to the policy and practices to counteract corruption and collusion during orientations for new employees. Employees at all levels have access to the policy and communication through supervisors, including the Company's newsletters.

Due to the Company's primary focus on importing medical equipment, particularly from the United States, where the U.S. Foreign Corrupt Practices Act (FCPA) is strictly enforced, the Company is keenly aware of the legal implications of international corruption. The FCPA defines "Company" under its jurisdiction broadly, encompassing not only corporate entities but also individuals such as directors, officers, employees, agents, distributors, and shareholders acting on behalf of U.S.-based companies. As a result, the Company is highly committed to anti-corruption and compliance measures to maintain positive relationships with its business partners and ensure the long-term stability of its operations. The Company strictly prohibits any form of bribery or corruption involving government officers to safeguard its business integrity.

Anti-corruption Policy is disclosed under "Policies" in the 'Sustainability' section, accessible through the Investment Relation segment on the Company's website.

## Whistleblowing

The Company has a policy and is committed to listening to feedback, suggestions, inquiries, or complaints from all stakeholders. This is to ensure that directors, executives, employees, and anyone acting on behalf of the Company conduct business ethically, transparently, fairly, and with accountability, in accordance with laws, good corporate governance practices, and code of conduct, as well as the Company's regulations. Additionally, it aims to enable stakeholders to report any suspected lack of transparency to the Company through various whistleblowing channels. Employees and stakeholders can inquire, complain, provide feedback, and report various issues to the Company's independent directors or company secretary through the following channels.

## Whistleblowing Channel

1. Postal mail

Independent Directors and Audit Committee Chairman (Whistleblowing)  
Business Alignment Public Company Limited  
92/45 Sathorn Thani Building 2, 16th Floor, North Sathorn Rd., Bangrak, Bangkok 10500

2. Email

biz-cg@bizalignment.com

Complaints and/or suggestions will be sent directly to all independent directors for further investigation. The Company has established a process for managing reports from employees or whistleblowers regarding misconduct, including mechanism to protect whistle-blowers. Whistleblowing policy is disclosed under “Policies” in the ‘Sustainability’ section, accessible through the Investment Relation segment on the Company’s website.

## Code of Conduct

The Board of Directors has established a code of conduct, as well as communicate to all directors, executives, and employees through internal channels. This is aimed at promoting adherence to and implementation of ethical standards, as well as monitoring compliance. It is considered a shared responsibility for the benefit of the Company’s stakeholders and to build trust in the business operations for sustainable growth. In 2023, the Company did not violate any ethics or integrity standards.

Code of Conduct is disclosed under “Policies” in the ‘Sustainability’ section, accessible through the Investment Relation segment on the Company’s website.

## Milestone Development on the CG policy, Guidelines and System During the Year

In 2023, the Board of Directors conducted a review of corporate governance policy and added further details to the objectives section to enhance clarity.

As for the principles or sub-principles that cannot be applied or are not applicable, the reasons for not applying those codes have been recorded in the Board’s resolution. For example, the Company has not set a policy regarding the term of office of independent directors, who may serve no more than 9 consecutive years. This is because the Company has confidence that all independent directors possess knowledge, capabilities, and experiences beneficial to the Company’s business operations. Alternatively, the Corporate Governance Committee has not been formed because the Board prioritizes and oversees business operations with transparency and closely adheres to corporate governance principles.

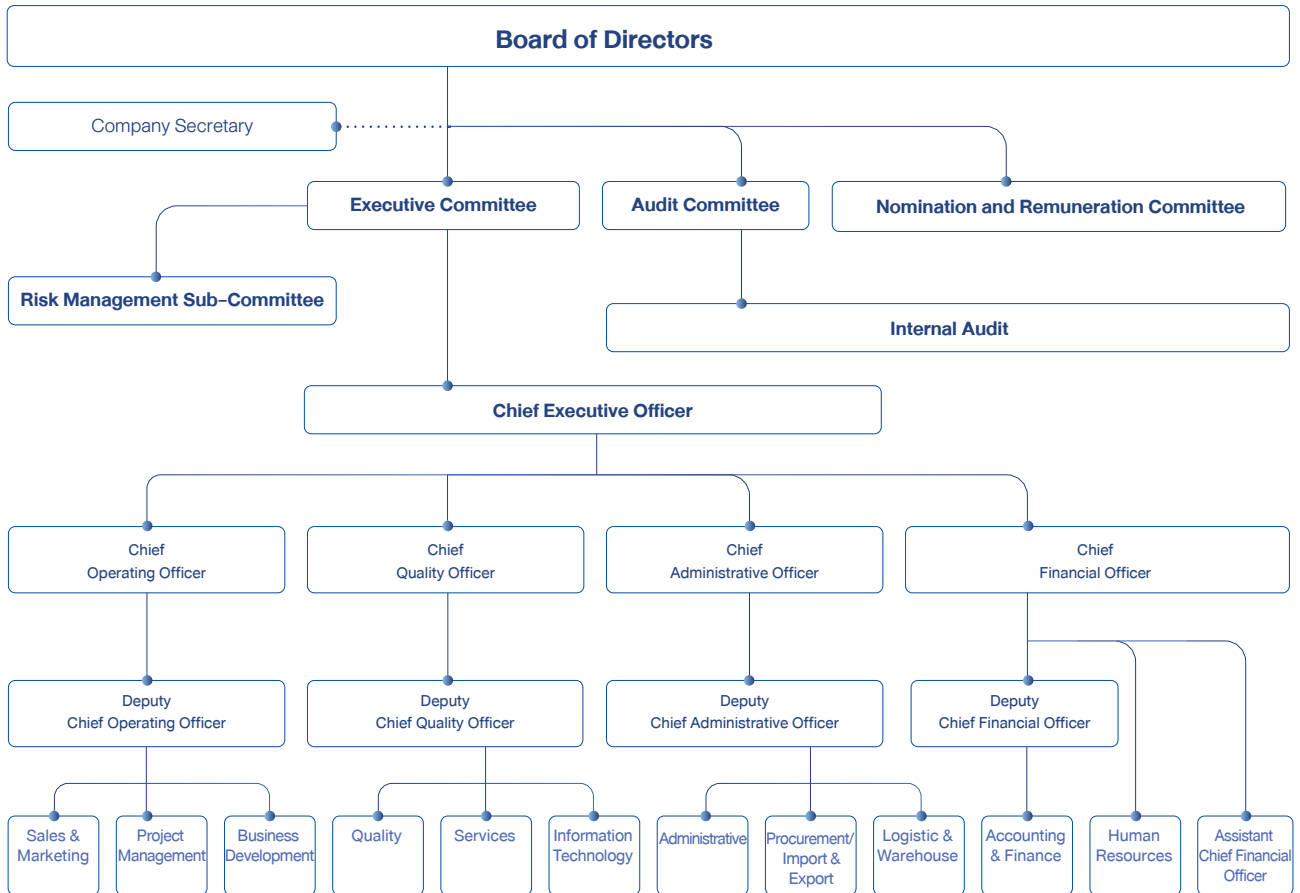
Based on the Corporate Governance Report of Thai Listed Companies 2023 conducted by the Thai Institute of Directors (IOD), the Company was scored in the “Excellent” level.

## Annual General Meeting

The Board of Directors’ Meeting No1/2023 resolved that the 2023 Annual General Meeting (AGM) of the Company would be on Monday, April 10, 2023, at 14:00 hrs. The Company set the date, time, and the venue regarding shareholders’ convenience. This includes submitting the AGM’s invitation and other relevant documents to shareholders via QR code. Shareholders were encouraged to appoint independent directors to vote on their behalf instead of in-person participation. Furthermore, a barcode system has been utilized for registration, vote counting, and result presentation at the shareholders’ meeting for its convenience, speed, and accuracy.



## Corporate Governance Structure



### Board of Directors

#### Composition of the Board

- The Board of Directors consist of members shall be no less than five members. At least half of the total directors shall reside in Thailand.
- The Board of Directors consists of independent directors which shall not be less than one-third of the total number of the directors, with a minimum of three directors.
- The Board of Directors shall elect one of the members to be the Chairman of the Board

The Board of Directors consists of seven directors, four independent directors, representing 57% of the entire board. The Independent Directors of the Company possess the qualifications in accordance with the criteria set by the SEC and the SET. There are four non-executive directors (Independent Directors), representing 57% of the entire board and three executive directors, representing 43% of the entire board as follows:













No.	Name	Position
1	Mr. Woodtipong Moleechad	Chairman of the Board and Independent Director <sup>a</sup>
2	Ms. Srirat Chuchottaworn	Independent Director, <sup>a</sup> Audit Committee Chairman and Nomination and Remuneration Committee Member
3	Mr. Vipoota Trakulhoon	Independent Director, <sup>a</sup> Audit Committee Member and Nomination and Remuneration Committee Chairman
4	Mr. Thanawat Lertwattanak	Independent Director, <sup>a</sup> Audit Committee Member and Nomination and Remuneration Committee Member
5	Mr. Sompong Chunekitiyanone <sup>b</sup>	Director and Nomination and Remuneration Committee Member
6	Mr. Voravid Silapusid <sup>b</sup>	Director and Nomination and Remuneration Committee Member
7	Mr. Noppadol Suntanaphanich <sup>b</sup>	Director

**Remark :** Profile details as shown in "Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit".

<sup>a/</sup> The definition of "Independent Director" is disclosed under "Corporate Governance".

<sup>b/</sup> Authorized directors of the Company are Mr. Sompong Chunekitiyanone, Mr. Voravid Silapusid and Mr. Noppadol Suntanaphanich, any two of these three directors can jointly sign with the Company's seal affixed in accordance with the Affidavit.

Composition of the Board		Ratio of the Board of Directors	
 Male 6 person		4 : 7 Independent Director : The Entire Board	
 Female 1 person		4 : 7 Non-Executive Director : The Entire Board	
Health Care Services	Engineering	Accounting/Finance	
 <b>3 persons</b>	 <b>3 persons</b>	 <b>3 persons</b>	
Economics	Information Technology	Governance/Compliance	
 <b>2 persons</b>	 <b>3 persons</b>	 <b>2 persons</b>	

## Authorities, Duties and Responsibilities of the Board of Directors

1. To perform duties with responsibility, due care and integrity in accordance with laws, the Company's Objectives and the Articles of Association, as well as the resolutions of the Board of Directors and shareholders' meeting.
2. To review and approve the appointment of a director who is duly qualified, without the prohibitions stated in the Public Company Limited Act B.E. 2535 and the Securities and Exchange Act as well as the relevant regulations related to the directorship if a director's seat is vacated for reasons other than term completion.
3. To review and appoint the Executive Committee member who is a director and/or an executive and/or an employee of the Company, and establish its duties and responsibilities.
4. To review and appoint the Company's independent directors and the Audit Committee, or propose the appointment at a shareholders' meeting, considering qualifications, prohibitions, and relevant rules and regulations.
5. To set and amend the list of the Company's authorized directors.
6. To appoint a person as the representative to operate the Company's business under the supervision of the Board of Directors or grant the authority to said person maybe done within a determined timeframe. The authority may be revoked or amended as the Board deems appropriate.
7. To review and approve the transactions of acquisition or disposal of assets, except such transactions are required to be approved at a shareholders' meeting. In both cases, approval shall be comply with the relevant laws and regulations.
8. To review and approve related party transactions, except such transactions are required to be approved at a shareholders' meeting. In both cases, approval shall be comply with the relevant laws and regulations.
9. To review and approve the interim dividend payment when it is apparent that the Company has such reasonable profits as to justify such payment and reporting it to the shareholders at the next meeting when dividends have been paid.
10. To establish the Company's vision, policies, operational direction, business strategies, annual budgets, and oversee the effective and efficient implementation by the Management to maximize economic value for shareholders and sustainable growth.
11. To take the responsibility for the performance of the Company and the Management with determination and due care.
12. To ensure that the Management has effective and appropriate risk management.
13. To ensure that the clear and measurable targets for the business operation are established to serve as guidelines for setting the operation's goal, as well as takes into account feasibility and rationality.
14. To take the responsibility for shareholders consistently, protect their interests, as well as disclose the significant information to investors with accuracy, transparency, and standards.
15. To consider and make decision on the significant matters such as business policies, large-scale investment projects, management authority, acquisition or disposition of assets, and any other matters as required by law.
16. To set authority and approval levels for transactions and the operations related to the Company as well as assign them to the groups or person as appropriate and in accordance with relevant laws by establishing the authority manual and reviewing it at least once a year.
17. To ensure that the Company's accounting system, financial reporting and account auditing are reliable, and the assessment processes for internal control are effective and efficient.
18. To propose the nominated auditors and audit fee in the shareholders' meeting for approval.
19. To report the Board's responsibility in preparing financial statements along with the auditor's report in the annual report, including key matters which is in accordance with the good governance practices of the Stock Exchange of Thailand for a listed company's Board of Directors.
20. To oversee the sub-committees carry out their duties as per their charters.
21. To assess the performance whereby the assessment shall be conducted as a whole and as an individual basis

## Roles and Duties of the Chairman of the Board

1. To summon meeting for Board and preside over the Board's meeting and the Shareholders' Meeting.
2. To ensure that meetings have the efficiency and the sufficient time for the Management's presentation, encourage and support board members to have queries and express their opinions freely, and supervise the meetings to focus on agenda matters, as well as summarize the resolutions.
3. To encourage the Board of Directors to carry out their duties as per corporate governance practices and contribute to the Company's ethical culture and good corporate governance.
4. To communicate important information to the Board members.
5. To supervise, monitor, and ensure that the Board of Directors performs their duties efficiently and achieves the Company's objectives and goals.
6. To jointly set the Board meeting's agenda with the Chief Executive Officer, ensuring the inclusion of the important matters.
7. To promote constructive relations between executive and non-executive directors, and between the Board and the Management.

## Aggregation or Separation of Positions - Chairman of the Board and Chief Executive Officer

To enhance the good corporate governance of the Company, the Company has separated the positions of the Chairman of the Board and the Chief Executive Officer. Mr. Woodtipong Moleechad is the Chairman of the Board while Mr. Sompong Chunekitiyanone is the Chief Executive Officer in order to manage business operations of the Company effectively.

## Term of Office

The Board of Directors is responsible for managing the business operations of the Company. The directors' term of office is stipulated in the Company's Article of Association that at each annual general meeting, one-third (1/3) of the total number of the directors shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third (1/3) shall retire from office. Retiring directors are eligible for re-election.

However, the delegation of duties and responsibilities of the Board of Directors shall not involve granting powers or delegating powers that would enable the Board of Directors or the assigned persons to approve transactions in which they or persons who may have conflict of interest (as defined by the SEC's regulations) for the Company and its subsidiary.

## Method of Appointment of the Directors

1. For the operation of its business, the Company shall have a Board of Directors consisting of at least five directors, provided that not less than one half of the total number of directors shall have a residence in the Kingdom and the director shall possess the qualifications required by law.  
A Director need not necessarily be a shareholder of the Company.
2. The directors shall be elected at the Shareholders' Meeting in accordance with the following criteria and procedures:
  - 2.1 A shareholders shall have one vote per share.
  - 2.2 Each shareholder may exercise all the votes he or she has to elect one or several persons as director(s), but the shareholder cannot allot his or her votes to any person in any number; and
  - 2.3 The candidates who received the highest votes in their respective order of the votes shall be elected as the directors until all of the director positions that the Company has, or are to be elected at such meeting, are filled. In the event the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman of the meeting shall have a casting vote.

3. In the event of a vacancy on the Board of Directors for reasons other than by rotation, the Board of Directors shall elect any person who is qualified and who does not have any of the prohibited characteristics under the law on public limited companies and/or under the law governing securities and exchange as a substitute director at the subsequent Board of Directors' Meeting, unless the remaining term of office of the vacant directorship is less than two months. The aforesaid substitute director shall retain office only for the remaining term of office of the replaced director.

The resolution of the Board of Directors under the first paragraph shall be passed by a vote of not less than three-fourths (3/4) of the remaining directors.

### Method of Removal of the Directors

1. At each annual general meeting, one-third (1/3) of the total number of the directors shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third (1/3) shall retire from office. Retiring directors are eligible for re-election.  
Retiring directors in the first and second years following the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office the longest shall retire.
2. Besides retiring by rotation, the directors shall be vacated from office upon:
  - 2.1 death;
  - 2.2 resignation;
  - 2.3 a lack of qualifications or having prohibited characteristics under the law on public limited companies and the law governing securities and exchange;
  - 2.4 removal by a resolution of the Shareholders' Meeting; and
  - 2.5 removal by a court order.
3. A director may be removed from office prior to the end of his/her term of office by a resolution passed at the Shareholders' Meeting, by a vote of not less than three-fourths (3/4) of the total number of shareholders who are present at the meeting and are eligible to vote, holding together not less than one-half (1/2) of the total number of shares of the shareholders who are present at the meeting and are eligible to vote.

### Sub-Committees

#### Audit Committee

The Board approved the establishment of the Audit Committee ("AC") comprising three Independent Directors. All members of the Audit Committee possess the qualifications in accordance with the criteria set by the SEC and the SET, as follows:

No.	Name	Position
1	Ms. Srirat Chuchottaworn	Audit Committee Chairman
2	Mr. Vipoota Trakulhoon*	Audit Committee Member
3	Mr. Thanawat Lertwattanak	Audit Committee Member

**Remark :** \*The AC member who has adequate expertise and experience to review credibility of the financial reports



## Duties and Responsibilities of the Audit Committee

1. To ensure the accuracy, credibility, and sufficient of financial reporting by collaborating with external auditors and the Management on a quarterly and annual basis.
2. To review the adequacy and effectiveness of the Company's internal control and internal audit, determine the independence of the internal audit unit, and approve the appointment, transfer and termination of employment of the head of the internal audit unit or the related unit, as well as recommend necessary and significant transactions for audit or examination and propose improvements to key internal control systems, in collaboration with the external auditor and the head of the internal audit unit, to the Board.
3. To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and the laws relating to the business of the Company.
4. To select, propose the appointment and reappointment, or terminate the external auditor, takes into account their independence, knowledge, capabilities, experience, performance, the appropriateness of the audit fee, and recommend to the Board, as well as attend a non-management meeting with the external auditor at least once a year.
5. To review the Company's internal audit plans in accordance with generally accepted methods and standards.
6. To review related party transactions or items that may have conflicts of interest for the compliance with relevant laws and regulations, as well as the accuracy and the completeness of such information disclosure to ensure that they are reasonable and for the highest benefit of the Company.
7. To review the appropriateness and effectiveness of risk management of the Company
8. To report the activities of the Audit Committee to the Board on a quarterly basis at least.
9. To prepare and to disclose a report of the Audit Committee in the Company's Annual Report. The report must be signed by the Audit Committee Chairman, comprising at least the following information:
  - 9.1 an opinion on the accuracy, completeness and creditability of the Company's financial report and the adequacy of the Company's internal control system,
  - 9.2 an opinion on the compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand or the laws relating to the business of the Company,
  - 9.3 an opinion on the suitability of an auditor,
  - 9.4 an opinion on the transactions that may lead to conflicts of interests,
  - 9.5 the number of the Audit Committee meetings, and the attendance of such meetings by each Audit Committee member,
  - 9.6 an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and
  - 9.7 other transactions which, according to the Audit Committee 's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board;
10. To contribute opinions on the appointment, termination and performance assessment of the internal audit staff.
11. To perform the duties as established authorities, the Audit Committee shall request the Management, executives, or employees of the Company who are relevant to a matter to give opinions, attend meetings or provide documents when deemed necessary or relevant.
12. To engage consultants or outside sources in accordance with the Company's procedure to seek their opinions or advice when necessary.
13. To implement and oversee the annual self-performance evaluations including reporting the results and problems to the Board on an annual basis.
14. To review the Charter and recommend modifications.
15. To perform any other acts as assigned by the Board within the Audit Committee's scope of duties and responsibilities.

## Term of Office

The term of office of a member of the Audit Committee shall be three years, starting from the appointment date. In the case where the Audit Committee is vacated and a new Audit Committee has not been appointed, the existing Audit Committee shall perform its duties until the appointment of a new Audit Committee has been approved by the Board of Directors or Shareholders' meeting. The replaced Audit Committee member shall be the independent director who possess the required qualifications.

## Nomination and Remuneration Committee

The Board approved the establishment of the Nomination and Remuneration Committee ("NRC") comprising five directors. There are three Independent Directors, representing 60% of the NRC and two directors, representing 40% of NRC as follows:

No.	Name	Position
1	Mr. Vipoota Trakulhoon	Nomination and Remuneration Chairman
2	Ms. Srirat Chuchottaworn	Nomination and Remuneration Member
3	Mr. Thanawat Lertwattanak	Nomination and Remuneration Member
4	Mr. Sompong Chunekityanone	Nomination and Remuneration Member
5	Mr. Voravid Silapusid	Nomination and Remuneration Member

## Duties and Responsibilities of the Nomination and Remuneration Committee

### Nomination

1. To formulate a process for the selection of directors who are align with the Company and its operations by taking into account the qualification, the expertise, the board diversity and the board skills matrix.
2. To propose potential director candidates for directorship to the Board of Directors, which may include re-nominating retiring directors, shareholder proposals, external professional search firms, director pools, or director recommendations etc.
3. To review the nominated person and select the candidate who has the required qualifications.
4. To review the nominated person as to whether he/she possess the qualification required by laws and the relevant regulations.
5. To approach the persons who meet the criteria to ensure their willingness to accept the directorship if appointed by the shareholders.
6. To propose nominated persons to the Board of Directors for inclusion in the shareholders' meeting invitation and approval by the shareholders.
7. To appoint the top executives as assigned by the Board of Directors.
8. To review the CEO succession plan and search for potential candidates to propose to the Board in case of a vacancy.

### Remuneration

1. To consider the criteria for the remuneration of directors, sub-committee member and executive as assigned by the Board to ensure appropriateness by reviewing and benchmarking against the same industry. The criteria is established for achievement, fairness and reward.



2. To review the remuneration package, such as fixed remuneration, performance-based remuneration, and meeting allowances by taking into account the same industry's benchmark, performance and size of the Company, as well as, the responsibilities, knowledge, skills, and experience of the Board and subcommittee's member.
3. To consider the assessment criteria for executives as assigned by the Board.
4. To determine the remuneration for the Board and sub-committee members based on the criteria and propose it to the Board for shareholders' approval at the AGM.
5. To consider the appropriateness and make a recommendation for the issuance of new securities to Board members, executives, and employees by adhering to principles that ensure fairness to shareholders. Board members, executives, and employees are also motivated to fulfill their responsibilities to enhance long-term value for shareholders and retain the Company's staff.

Apart from the qualifications of the Board members, the Nomination and Remuneration Committee shall also consider guidelines related to board diversity, including stakeholders, educational background, experience, age, and gender. However, the qualification and experience details may be revised when the Company launches a new business line to align with the Company's new strategy.

## Executive Committee

The Board approved the establishment of the Executive Committee comprising four the Company's executives, as follows:

No.	Name	Position
1	Mr. Sompong Chunekitiyanone	Executive Committee Chairman
2	Mr. Voravid Silapusid	Executive Committee Member
3	Mr. Noppadol Suntanaphanich	Executive Committee Member
4	Ms. Sukanlaya Khamnuan	Executive Committee Member

## Duties and Responsibilities of the Executive Committee

1. To oversee the Company's management to be in accordance with the policies and report the activities to the Board of Directors.
2. To consider the appropriated allocation of authority and approval levels, establish separation of duties to prevent fraud, define procedures for transactions with major shareholders, directors, executives, or related persons to prevent conflicts of interest, and propose these principles to the Board for approval and compliance.
3. To review the annual budget and the procedures for budget utilization to present to the Board of Directors and oversee expenditure in accordance with the approved budget.
4. To consider the business plan to be appropriate for the Company's benefit.
5. To consider and approve investments, as well as establish budgets for investments as stipulated in the authority manual.
6. To consider entering into contracts that obligate the Company in accordance with the authority manual.
7. To ensure that the Board of Directors and shareholders have adequate information for decision-making and to prepare financial reports that are credible, transparent, and compliant with standards.
8. To evaluate the Company's profits and losses and propose the dividend payment to the Board of Directors.
9. To consider new business ventures or discontinuation of businesses and propose to the Board of Directors.

10. To ensure procedures are in place for promptly reporting irregularities, wrongdoing, or legal violations to the Board of Directors. Significant incidents must be reported to the Board for consideration and appropriate action within a reasonable timeframe.
11. To undertake any necessary actions to support the aforementioned operations or as recommended or as assigned by the Board of Directors.
12. To report their significant activities to the Board of Directors.

The delegation of authority, duties, and responsibilities of the Executive Committee shall not include the authority and/or delegation of authority for the approval of any transactions in which they, or persons with delegated authority, or persons who may have conflicts of interest (as defined in the Securities and Exchange Commission's regulations) have a direct or indirect interest that conflicts with the Company. Such transactions shall be subject to approval at the Board of Directors' and/or shareholders' meeting as stipulated in the Company's Article of Association or the relevant laws.

## Management

Management of the Company comprises the Chief Executive Officer and other Management in accordance with the definition of the SEC, a total of four persons, details as follows:

No.	Name	Position
1	Mr. Sompong Chunekitiyanone	Chief Executive Officer and Acting Chief Operating Officer
2	Mr. Voravid Silapusid	Chief Financial Officer
3	Mr. Noppadol Suntanaphanich	Chief Quality Officer
4	Ms. Sukanlaya Khamnuan	Deputy Chief Financial Officer

**Remark :** Profile details are as shown in "Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit".

### Duties and Responsibilities of the Chief Executive Officer

1. To oversee operations, develop strategic plans, and manage the Company's day-to-day business.
2. To make critical decisions, set missions, objectives, guidelines, policies, and oversee departmental operations for the Company.
3. To act as an authority to exercise commands, communicate and sign legal documents, notice, or any relevant documents as specified in the authority manual.
4. To hire, appoint, transfer, determine duties, set remuneration, and terminate employees for the appropriateness as specified in the authority manual.
5. To establish trade conditions for the benefit of the Company
6. To consider new business investments or discontinuation of businesses and propose to the Executive Committee and/or the Board of Directors.
7. To approve and appoint necessary consultants to support operations.
8. To perform any other acts as assigned by the Executive Committee and/or the Company's directors.

The delegation of authority, duties, and responsibilities of the Chief Executive Officer shall be comply with the regulations as approved by the Board. It shall not include the authority and/or delegation of authority for the approval of any transactions in which they, or persons with delegated authority, or persons who may have conflicts of interest (as defined in the Securities and Exchange Commission's regulations) have a direct or indirect interest that conflicts with the Company. Such transactions shall be subject to approval at the Board of Directors' and/or shareholders' meeting as stipulated in the Company's Article of Association or the relevant laws.



## Remuneration Policy

### Director's Remuneration

The remuneration for the Company's directors reflects their experience, duties, obligations, roles and responsibilities which is benchmarked against the same industry and are competitive. The director's fees are subject to shareholders' approval at the AGM. In addition to the approved monetary remuneration, the Company does not provide any other benefits to its Board of directors.

### Management's Remuneration

The remuneration for the Company's executives is aimed at encouraging and motivating them to achieve the Company's annual and long-term goals, taking into account the following factors such as,

- Plan progression and strategy implementation
- Annual performance assessment
- Leadership and vision
- Relationships with the Board of Directors, staffs, and stakeholders.

### Total Remuneration Paid to Management in Accordance with the Definition of the SEC

	2021		2022		2023	
	Person	Amount (Million Baht)	Person	Amount (Million Baht)	Person	Amount (Million Baht)
Salary	5	7.61	5	9.10	4	8.27
Bonus	5	8.85	5	6.18	4	6.13
<b>Total</b>		<b>16.46</b>		<b>15.28</b>		<b>14.40</b>

Monetary remuneration for Management consists of salaries, provident fund, health insurance plan, annual health-checkup, telephone expenses, car allowance, commission and etc., as well as other benefits in accordance with labor market practices and legal requirements.

There were no non-monetary remuneration given to Management in 2021-2023.

## Employees

The employee headcount (excluding Management in accordance with the definition of the SEC) as of December 31, 2023, stood 25 (male 9 / female 16)

The department headcounts were as follows:

	2021	2022	2023
Finance and Accounting	4	5	5
Sales and Marketing	8	6	7
Quality and Service	5	6	6
Business Development	2	2	2
General Administration	1	2	3
Project Management	3	2	1
Company Secretary	1	1	1
<b>Total (person)</b>	<b>24</b>	<b>24</b>	<b>25</b>

## Employees' Remuneration

The Company determines employee remuneration, including salary, bonus, overtime payment, commission, social security, provident fund, and other benefits. The employees' salary increase is considered to their performance, evaluated using Key Performance Indicators (KPIs) for creating motivation to achieve the annual targets.

	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Remuneration	13.03	17.16	9.77	14.86	11.32	18.01
<b>Total (Million Baht)</b>		<b>30.19</b>		<b>24.63</b>		<b>29.33</b>

	2021	2022	2023
Total Number of Employees Joining Provident Fund (person)	23	22	23
Percentage of Total Number of Employees Joining Provident Fund to Total Number of Employees (%)	96	92	92

## Other Significant Information

### Company Secretary

As per the Securities and Exchange Act, the Board of Directors' meeting of the Company has approved the appointment of Ms. Phatthranit Amornratchai, to be the Company Secretary of the Company effective April 10, 2023. Profile details are as shown in "Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit".

### Duties and Responsibilities of the Company Secretary

1. Preparing and keeping the following documents:
  - (a) a register of Director;
  - (b) a notice calling for the Board of Directors' Meeting, the minutes of the Board of Directors' Meeting and the Annual Report of the Company;
  - (c) a notice calling for Shareholders' Meeting and the minutes of the Shareholders' Meeting;
2. Keeping a report on interest filed by the Director or Executive and submit a copy of such report to the Chairman and the Audit Committee Chairman within seven business days upon receipt;
3. Establishing a system for safekeeping of the following documents and evidence. Monitoring safekeeping of such documents or evidence for its accuracy and completion as well as availability for inspection for the period not less than five years from the date of producing such documents or information. Safekeeping of the aforementioned documents and evidence shall include safekeeping by means of a computer system or any other systems which allow retrievability without any change of information.
  - 3.1 Providing information in support of seeking a resolution of the shareholders' meeting;
  - 3.2 Financial statements and reports concerning the financial condition and the business operation of the Company or any other reports required to be disclosed under Section 56, Section 57, Section 58 or Section 199 of the Securities and Exchange Act;
  - 3.3 An opinion of the Company when a person makes a general tender offer to purchase shares from shareholders;
  - 3.4 Providing information or any other reports in relation to the business prepared by the Company for the purpose of disclosure to shareholders or the public as specified in the notification of the Capital Market Supervisory Board.



4. Performing any other acts as specified in the notification of the Capital Market Supervisory Board
5. Performing duty with responsibility, due care and loyalty, and complying with all laws, the Objectives, the Articles of Association of the Company, the resolutions of the Board of Directors and the resolutions of the shareholders' meeting as well as not acting in significant conflicts with the interest of the Company.
6. Performing duty with responsibility and due care, he/she shall act in the similar manner as an ordinary person undertaking the like business under the similar circumstance and,
  - 6.1 decision has been made with honest belief and reasonable ground that it is for the best interest of the Company;
  - 6.2 decision has been made in reliance of information honestly believed to be sufficient; and
  - 6.3 decision has been made without his/her interest, whether directly or indirectly, in such matter.

In cases where the company secretary vacates his/her position or is incapable of performing his/her duty, the board of directors shall appoint a new company secretary within 90 days from the date on which the company secretary has vacated his/her position or has been incapable of performing his/her duty.

### The Person Supervising Accounting

The person supervising accounting of the Company is Ms. Sukanlaya Khumnuan, Deputy Chief Financial Officer. Profile details are as shown in "Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit".

### Head of Internal Audit

Honor Audit and Advisory Company Limited, headed by Ms. Piyamas Ruangsaengrob, Managing Partner (Internal Audit Services), has been outsourced. She reports directly to the Audit Committee. Profile details are as shown in "Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit".

### Investor Relations

All stakeholders are able to contact at Ms. Phatthranit Amornratchai, Company Secretary / Investor Relations email [ir@bizalignment.com](mailto:ir@bizalignment.com) or Telephone +66 2636 6828-9.

In the year 2023, the Company participated in Opportunity Day organized by the SET three times.

### Auditors' Remuneration

2023 Annual General Meeting of the Company and its subsidiary approved the appointment of Mr. Samran Taengcham, Certified Public Accountant No. 8021 and/or Ms. Natteera Pongpinitpinyo, Certified Public Accountant No. 7362 and/or Mr. Piya Chaipruckmalakarn, Certified Public Accountant No. 7544 from EY Office Limited to be the auditor for the year 2023. The Company and the subsidiary company paid the audit fees to the audit firm for the year 2023, details as follows:

Company	Auditors' Remuneration
Business Alignment Public Company Limited	Baht 1,500,000
Cancer Alliance Company Limited	Baht 350,000

### Non-Audit Fee

-None-



## Report on Key Operating Results on Corporate Governance

### Summary of Duty Performance of the Board of Directors

The summary of the Board of Directors performance in 2023 is as follows:

- Reviewing the Company's vision, mission and business strategy to create sustainable value for its business.
- Reviewing Corporate Governance Policy and the Code of Conduct.
- Ensuring that directors understand the roles and responsibilities, the nature of the business, relevant laws and are consistently given support to enhance their skills and knowledge.
- Implementing and overseeing the annual self-performance evaluations of the board, its committees, and each individual director, including reviewing and using the evaluation results for strengthening the effectiveness of the board
- Ensuring responsible management of the business operations in line with social and environmental responsibilities, aligning with the Company's vision, mission, and strategies.
- Ensuring effective internal control system and an adequate internal audit system, as well as making sure the suitable assessment of the Company's internal control system is commenced on a regular basis.
- Monitoring and managing conflicts of interest that might occur between the Company, Management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.
- Establishing an anti-corruption policy and other relevant policies, practices as well as a mechanism to handle whistleblowing.
- Prioritizing and ensuring the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.
- Reviewing Board of Directors' and sub-committees' charters.
- Appointing a new Company Secretary to replace the vacant position.
- Reviewing the sub-committees' activity report in Board of Directors meetings each quarter.
- Acknowledging a report on shareholdings in the Company by directors and executives in Board of Directors' meetings on a quarterly basis.

### Development of Directors and Management

Details of the training previously undertaken by each director and management are set out in Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit.

In 2023, directors and management attended the training and seminar courses as follows:

Name	Position	Course
Ms. Srirat Chuchottaworn	Independent Director, Audit Committee Chairman and Nomination and Remuneration Committee Member	<ul style="list-style-type: none"> <li>• Fraudulent Financial Reporting for Fraud in Thai Capital Market and Sustainability under Economic Recession and Global Warming Mitigation Measures</li> <li>• The Importance of the Audit Committee to the Confidence in the Thai Capital Market</li> </ul>
Mr. Sompong Chunekitiyanone	Director, Nomination and Remuneration Committee Member, Chief Executive Officer and Acting Chief Operating Officer	<ul style="list-style-type: none"> <li>• 1<sup>st</sup> VELA – Vitality Enhancement and Longevity Academy</li> </ul>
Mr. Voravid Silapusid	Director, Nomination and Remuneration Committee Member and Chief Financial Officer	<ul style="list-style-type: none"> <li>• TLCA CFO Professional Development Program No. 2/2023 (Risk Management for CFOs)</li> <li>• TLCA CFO Professional Development Program No. 3/2023 (Financial Technology)</li> </ul>
Ms. Sukanlaya Khamnuan	Deputy Chief Financial Officer	<ul style="list-style-type: none"> <li>• TLCA CFO Professional Development Program No. 2/2023 (Risk Management for CFOs)</li> <li>• TLCA CFO Professional Development Program No. 3/2023 (Financial Technology)</li> </ul>
Ms. Phatthranit Amornratchai	Company Secretary	<ul style="list-style-type: none"> <li>• Company Secretary Program (CSP 138/2023)</li> <li>• Professional Development Program for Company Secretary</li> <li>• 2<sup>nd</sup> Insight in SET</li> </ul>

## Assessment of the Performance

### Board of Directors:

The Board of Directors conducts an assessment of its annual performance as a group and individual. The purpose is to review the performance outcome, problems and obstacles in the business operation in the past year so as to improve the work efficiency.

The assessment criteria of the Board of Directors (group and individual) covers 6 assessment subjects, are as follows:

1. Board structure and qualifications,
2. Roles, duties and responsibilities of the Board
3. Board meetings
4. Duties of directors
5. Relationship with Management
6. Director's self-improvement and management training

### The Assessment Procedure

The Company secretary will distribute the assessment forms, group and individual, as approved by the Board of Directors to all the board of directors to assess their performances. After each director has completed the self-assessment forms of the Board of Directors as a group and individual basis, the Company Secretary shall calculate the scores and provide a summary of these scores to the Board of Directors' meeting which shall jointly consider and find a solution in order to improve their performance in the following year.

### Sub-committees:

The Company's Corporate Governance Policy stipulates that the Board of Directors assigns all subcommittees to conduct self-assessment in order to consider performance and problems for further improvements and report the assessment result to the Board of Directors on an annual basis.

### The Assessment Procedure

The secretary of the sub-committee will distribute the assessment forms as approved by the Board of Directors to all the members to assess their performances. After each director has completed the self-assessment form of the sub-committee as a whole, the Company Secretary shall calculate the scores and provide a summary of these scores to the sub-committees' and Board's meeting for further consideration.

The assessment results of Board of Directors and the sub-committees for the year 2023 were as follows:

- Board of Directors as a whole 99.60%
- Board of Directors as an individual 98.57%
- Audit Committee 99.75%
- Nomination and Remuneration Committee 98.10%

The assessment scores for the year 2023 indicated excellent / most suitable overall performance.

### Meeting Attendance and Remuneration Payment to Each Board Member

Attendance of all directors in 2023 as shown below.

Name	Board of Directors (5 meetings)			Audit Committee (4 meetings)	Nomination and Remuneration Committee (2 Meetings)	Annual General Meeting (1 Meeting)
	Total	Physical	Online			
1. Mr. Woodtipong Moleechad	5/5	5/5	0/5			1/1
2. Ms. Srirat Chuchottaworn	5/5	5/5	0/5	4/4	2/2	1/1
3. Mr. Vipoota Trakulhoon	5/5	4/5	1/5	4/4	2/2	1/1
4. Mr. Thanawat Lertwattanarak	5/5	5/5	0/5	4/4	2/2	1/1
5. Mr. Sompong Chunekitiyane	5/5	5/5	0/5		2/2	1/1
6. Mr. Voravid Silapusid	5/5	5/5	0/5		2/2	1/1
7. Mr. Noppadol Suntanaphanich	5/5	5/5	0/5			1/1
<b>Average Meeting Attendance (%)</b>	<b>100</b>			<b>100</b>	<b>100</b>	<b>100</b>



## Remuneration for the Board of Directors

For the year 2023, the Annual General Meeting held on April 10, 2023, had approved the remuneration for the directors who are members of the Board and Directors and Sub-committees. The approved remuneration is within a total amount not exceeding 2,000,000 baht per year, which includes monthly remuneration, meeting allowances, and other remuneration as deemed appropriate. The details are as follows:

Position	Monthly Remuneration (Baht)	Remuneration/Meeting/Person (Baht)
<b>Board of Directors</b>		
• Chairman of the Board	20,000	15,000
• Independent Director	15,000	10,000
• Executive Director	-	10,000
<b>Audit Committee</b>		
• Audit Committee Chairman	-	15,000
• Audit Committee Member	-	10,000
<b>Nomination and Remuneration Committee</b>		
• Nomination and Remuneration Committee Chairman	-	15,000
• Nomination and Remuneration Committee Member	-	10,000

Other benefits - None

The remuneration for executive directors is lower than the remuneration for non-executive directors because the executive directors receive a salary and also other benefits as part of their executive's duties and responsibilities.

In addition to the monetary remuneration, the Company does not provide any other benefits to its Board of Directors.

Remuneration and Other Benefits of the Directors during the Year 2023

Name	Position	Remuneration/Other Benefits (Baht/Year)			Total (Baht/Year)
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	
1. Mr. Woodtipong Moleechad	Chairman of the Board and Independent Director	345,000	-	-	345,000
2. Ms. Srirat Chuchottaworn	Independent Director, Audit Committee Chairman and Nomination and Remuneration Committee Member	250,000	60,000	20,000	330,000
3. Mr. Vipoota Trakulhoon	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Chairman	250,000	40,000	30,000	320,000
4. Mr. Thanawat Lertwattanak	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member	250,000	40,000	20,000	310,000

Name	Position	Remuneration/Other Benefits (Baht/Year)			Total (Baht/Year)
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	
5. Mr. Sompong Chunekeityanone	Director and Nomination and Remuneration Committee Member	50,000		20,000	70,000
6. Mr. Voravid Silapusid	Director and Nomination and Remuneration Committee Member	50,000		20,000	70,000
7. Mr. Noppadol Suntanaphanich	Director	50,000			50,000
<b>Total</b>		<b>1,245,000</b>	<b>140,000</b>	<b>110,000</b>	<b>1,495,000</b>

Remarks:

- The executive directors do not receive monthly remuneration as directors.
- The independent directors receive meeting allowance for attending Annual General Meeting.
- The remaining remuneration from the amount of 2 million baht is distributed evenly among all independent directors.
- The Directors do not receive remuneration for serving as directors in subsidiary company.

## Monitoring of Compliance with the Corporate Governance Policy and Guidelines

### Preventing Conflicts of Interest

The Board emphasizes the prevention of conflicts of interest, outlining Corporate Governance policy and regularly conducting reviews. In the year 2023, the policy and guidelines related to preventing conflicts of interest were distributed to directors, executives, employees, and staff via the internal communication channel. In addition, the Company did not identify any actions that violated such policy.

### Supervision on the Use of Inside Information

The Boards ensures compliance with laws and good governance principles regarding the supervision on the use of inside information. This is outlined as a fundamental aspect in the Corporate Governance policy which is designed to prevent the misuse of information for securities trading or personal gain that is not permitted. The board of directors and executives acknowledge their responsibility to report their securities holdings, including those of spouses, minor children, and any changes in ownership to the SEC and the SET.

### Details of Securities Held by Directors and Management in the Company

No.	Name	Position	No. of Shares			Shareholding (%)
			As at Dec. 31, 2022	Increase / (Decrease)	As at Dec. 31, 2023	
1.	Mr. Woodtipong Moleechad	Chairman of the Board and Independent Director	-	-	-	-
	Spouse and Minor Child		-	-	-	-
2.	Ms. Srirat Chuchottaworn	Independent Director, Audit Committee Chairman and Nomination and Remuneration Committee Member	-	-	-	-
	Spouse and Minor Child		-	-	-	-





No.	Name	Position	No. of Shares			Shareholding (%)
			As at Dec. 31, 2022	Increase / (Decrease)	As at Dec. 31, 2023	
3.	Mr. Vipoota Trakulhoon	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Chairman	-	-	-	-
	Spouse and Minor Child		-	-	-	-
4.	Mr. Thanawat Lertwattanak	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member	2,000	-	2,000	0.00
	Spouse and Minor Child		-	-	-	-
5.	Mr. Sompong Chunekityanone	Director, Nomination and Remuneration Committee Member, Chief Executive Officer and Acting Chief Operating Officer	192,705,000	-	192,705,000	32.08
	Spouse and Minor Child		-	-	-	-
6.	Mr. Voravid Silapusid	Director, Nomination and Remuneration Committee Member and Chief Financial Officer	181,500,000	-	181,500,000	30.21
	Spouse and Minor Child		4,482,000	-	4,482,000	0.75
7.	Mr. Noppadol Suntanaphanich	Director and Chief Quality Officer	36,000,000	-	36,000,000	5.99
	Spouse and Minor Child		-	-	-	-
8.	Ms. Sukanlaya Khamnuan	Deputy Chief Financial Officer	33,000	-	33,000	0.01
	Spouse and Minor Child		-	-	-	-

In 2023, there were no directors, executives, or employees involved in the trading of the Company's securities during the embargo period.

### Anti-corruption

The Company has established clear policy and practices for Anti-corruption, communicating them at all levels of the organization to ensure effective implementation. Additionally, it conducts risk assessments related to corruption and has processes for auditing, monitoring, and controlling associated such risks. In the year 2023, the Company did not engage in any actions related to corruption.

## **Whistleblowing**

Details have been disclosed under “Corporate Governance”. In the year 2023, no complaints were filed.

## **Summary of Duty Performance of the Audit Committee**

- In addition to the performance as outlined in the Audit Committee report, the AC has also provided valuable recommendations for the management and oversight of the subsidiary.
- Recommendations on internal audit guidelines for the Company has been provided for having a more comprehensive perspective, to ensure that shareholders and investors are confident that the Audit Committee emphasizes the adequacy and appropriateness of the Company’s internal control systems.

## **Summary of Duty Performance of the Nomination and Remuneration Committee**

- In addition to the performance as outlined in the Nomination and Remuneration Committee report, the NRC has also provided additional recommendations for a more thorough review of succession plan to ensure they are up-to-date. This is for the benefit of effective management and the selection of suitable individuals for senior executive positions.
- Shareholders have been invited to nominate the candidate to be appointed as the Company’s directors in advance as per the details, criteria and procedures disclosed on the Company’s website and via the Stock Exchange of Thailand during the period of November 20, 2023 - December 31, 2023. After the lapse of such period, none of the shareholders expressed an intention to do so.
- The Nomination and Remuneration Committee reviewed the retiring directors based on selection criteria, determining that they possessed the qualifications required by the Public Limited Company Act of 2535 B.E. The NRC considered qualifications such as knowledge, abilities, experience, and proficiency (Board Skill Matrix) that align with and are essential to the Company’s business strategy before recommending that the Board of Directors nominate all of the retiring directors for another term of directorships.



## Internal Control

The Company has assessed the adequacy of the internal control system 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 reviewed the internal control system and the business operations of the Company and the subsidiary by cooperating with the auditor, the internal auditors and Management on the review of the financial reports for the adequate and reliable disclosure of information in order to comply with the law on Securities and Exchange, the Stock Exchange of Thailand's regulations, as well as the rules, notifications and laws related to the business of the Company.

The Audit Committee reported to the Board of Directors that they has evaluated and gave opinions on the sufficiency assessment form of the Company's internal control system for the year 2023, which presented by the internal audit team (Honor Audit and Advisory Company Limited and Resourceful Company Limited) was 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 in regards to the business operation. In this regard, the report of the Audit Committee which covered topics on the internal control system, has been prepared and signed by the Audit Committee Chairman.

### Deficiencies in Internal Control

For the deficiencies in the internal control system, the issues that the internal audit team quarterly reported to the Audit Committee regards 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. The point was minor and wouldn't harm the business. After the suggestions were made, revisions were implemented, and complete corrections were made. Subsequent audits in the following quarter found no further issues, as reported to the Audit Committee and Board. The identified deficiencies are indicative of an inefficient internal control system.

### Head of Internal Audit

Honor Audit and Advisory Company Limited, an outsourced audit provider, has been appointed as an internal auditor of the Company. Ms. Piyamas Ruangsaengrob, Executive Director, is responsible for the Company's internal audits, including assessing the internal control system's sufficiency. The results are reported to the Audit Committee quarterly, including the annual audit plan, for approval. The plan is aimed at monitoring and verifying the accuracy and completeness of operations in alignment with the Company's plans and policies. The Company has continuously improved and developed the quality of internal control measures.

Resourceful Company Limited has been appointed to serve as an internal auditor for Cancer Alliance Company Limited, the subsidiary. The liaison officer for both audit service providers is the company secretary.

Moreover, a system has been established to oversee the Company's operations in accordance with the laws, regulations, policies, and requirements of relevant government agencies, including the Securities and Exchange Commission and the Stock Exchange of Thailand. A corporate governance policy has been put in place to ensure compliance with legal standards by the Board of Directors, Audit Committee, departments, and employees. Additionally, there is communication with employees to ensure that everyone is aware of their duties and responsibilities to study and understand the laws and regulations related to their duties. They are expected to perform their duties accurately and completely in accordance with stringent criteria.

### **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, finding them sufficiently suitable for the respective responsibilities. They possess an adequate level of independence, experience in internal auditing, and have undergone continuous training in courses related to internal audit practices. Profile as shown in “Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit”. In this regard, the appointment and termination of head of internal audit must be approved by the Audit Committee.



## Connected Transactions

The Company had transactions with persons who may have conflicts of interest. The transactions were between Directors, and/or Management and/or major shareholders, and related companies, of which the persons who may have conflicts of interest serving as directors and/or management and/or major shareholders. These occurred during the fiscal year 2021-2023, as follows:

Name of Related Persons/ Relationship	Type of Transactions	Value (Million Baht) as of			Reason and Necessity
		31/12/ 2021	31/12/ 2022	31/12/ 2023	
<p>1. Mr. Sompong Chunekitayanone <u>Relationship</u> Director, Chief Executive Officer, and major shareholder of the Company.</p>	<p><u>The collateral guarantee for credit line and short-term loans to financial institutions for the Company</u> Mr. Sompong Chunekitayanone made collateral guarantees for the Company,</p> <ul style="list-style-type: none"> <li>in the amount of 55.00 million baht for the year 2021</li> <li>the amount of 55.00 million baht for the year 2022</li> <li>the amount of 0 million baht for the year 2023</li> </ul> <p>without having charged any fee for making the guarantee.</p>	<p>Outstanding balance 0.00</p>	<p>Outstanding balance 0.00</p>	<p>Outstanding balance 0.00</p>	<p>A credit line and short-term loan from domestic financial institutions are required to serve as working capital for the Company's business operations, ensuring the Company's liquidity. Regarding the guarantee, there are no charges or fees incurred whatsoever. In 2023, the guarantee for the Company's the letter of guarantee has been cancelled. <u>Opinion of the Audit Committee</u> Such transactions are reasonable and occur due to necessity, aiming to benefit the Company for its operational purposes.</p>
<p>2. Mr. Voravid Silapusid <u>Relationship</u> Director, Chief Finance Officer, and major shareholder of the Company.</p>	<p><u>The collateral guarantee for credit line and short-term loans to financial institutions for the Company</u> Mr. Voravid Silapusid made collateral guarantees for the Company,</p> <ul style="list-style-type: none"> <li>in the amount of 55.00 million baht for the year 2021</li> <li>in the amount of 55.00 million baht for the year 2022</li> <li>in the amount of 0 million baht for the year 2023</li> </ul> <p>without having charged any fee for making the guarantee.</p>	<p>Outstanding balance 0.00</p>	<p>Outstanding balance 0.00</p>	<p>Outstanding balance 0.00</p>	<p>A credit line and short-term loan from domestic financial institutions are required to serve as working capital for the Company's business operations, ensuring the Company's liquidity. Regarding the guarantee, there are no charges or fees incurred whatsoever. In 2023, the guarantee for the Company's the letter of guarantee has been cancelled. <u>Opinion of the Audit Committee</u> Such transactions are reasonable and occur due to necessity, aiming to benefit the Company for its operational purposes.</p>



Name of Related Persons/ Relationship	Type of Transactions	Value (Million Baht) as of			Reason and Necessity
		31/12/ 2021	31/12/ 2022	31/12/ 2023	
3. Sathorn Sixteen Company Limited	<u>The expenses of the rent office space.</u> • The Company rents office space from Sathorn Sixteen Company Limited.	Rental fee 1.63	Rental fee 1.63	Rental fee 1.63	The Company has signed a lease agreement for office space, which is the property of Sathorn Sixteen Company Limited., encompassing a rented area of 227 square meters for the Company's office. The lease period is 60 months, starting from January 1, 2020, to December 31, 2023, at a rental rate of 600 baht per square meter per month. The total monthly rent amounts to 136,200 baht. This rental rate is comparable to the rates in nearby areas, which also stand at 600 Baht per square meter per month. Additionally, the lease agreement stipulates that the lessee (the Company) is responsible for paying utility fees and other service charges to the Sathorn Thani juristic person and the Metropolitan Electricity Authority directly. If the lessee intends to extend the lease, the lessor must be notified in writing at least 90 days before the expiration, at which time both parties will negotiate a new rental rate. <u>Opinion of the Audit Committee.</u> Such transaction is reasonable and serves the interests of the Company's business operations. Furthermore, the rental rate and terms specified in the contract are appropriate and in line with general business practices.
1. Mr. Sompong Chunekitayanone and Mr. Voravid Silapusid are directors and major shareholders	<u>Current Assets</u> • Deposits office space	Deposits 0.41	Deposits 0.41	Deposits 0.41	
2. Mr. Noppadol Suntanaphanich is a director and a shareholder	<u>Accounts payable and other payables</u> • Accrued expenses	House and building tax 0.06	House and building tax 0.06	House and building tax 0.06	

### Measures or Procedures for the Connected Transaction Approval

The Board of Directors has approved principles regarding normal business transactions involving the Company and companies or individuals that may have a conflict of interest, or stakeholders who might potentially have a conflict of interest. The approved principles grant Management the authority to approve such transactions provided they are conducted fairly and transparently, without the influence of their status as Directors, Executives, or related individuals, utilizing trade negotiation power. Moreover, its price must be fair, following the arm's length principle, and in accordance with standard business practices. Therefore, the Management is able to proceed based on the approved principles. Additionally, a summary of these transactions is prepared for quarterly reporting to the Audit Committee or upon request by the Board.



In cases where they are not normal business transactions, the Company will ensure that the Audit Committee provides its opinion on the necessity and appropriateness of such transactions. If the Audit Committee lacks expertise in such transactions, the Company will engage independent appraisers, independent specialists, or auditors to present their opinion to the Audit Committee for decision-making and recommend to the Board of Directors or shareholders for approval before entering into such transactions. They will be disclosed in the notes to the audited financial statements prepared by the Company's auditors, as well as in Form 56-1 One Report in accordance with relevant securities and exchange criteria and laws. Approval of these transactions must adhere to Securities and Exchange laws, regulations, announcements, orders, or requirements of the Stock Exchange of Thailand. Persons with potential conflicts of interest shall abstain from voting on such transactions.

### **The Policy or Trends Regarding Connected Transactions in the Future.**

The Board has established a policy for entering into connected transaction that, if the Company has to engage in transactions with the persons who may have conflict of interests, the conditions shall be determined to align with normal business practices. These conditions will reflect market prices that can be compared with conditions or prices observed in similar transactions with external entities. In this regard, the Audit Committee shall provide opinions on the pricing, overall compensation rates, as well as the necessity and appropriateness of such transactions. If the Audit Committee lacks expertise in such transactions, the Company will engage independent appraisers, independent specialists, or auditors to present their opinion to the Audit Committee for decision-making and recommend to the Board of Directors or shareholders for approval before entering into such transactions. They will be disclosed in Form 56-1 One Report in accordance with relevant securities and exchange criteria and laws.

For the connected transactions that may occur in the future, the Board shall adhere to the regulations, and the directors shall not approve any transaction that involve themselves or persons who may have conflicts of interest with the Company. These transactions will be disclosed for the Board's consideration, ensuring compliance with securities and exchange laws, regulations, notifications, orders of the Stock Exchange of Thailand, and requirements related to the disclosure of related transactions, asset acquisition or disposition, and accounting standards. In addition, the Company will not engage in connected transactions outside its normal business operations.

For the connected transactions that involve short-term loans from the Company's directors, the Company has a policy to secure its own sources of funding, not relying on loans from its directors.

In this regard, the potential connected transaction is the rental of office space with Sathorn Sixteen Company Limited. Such transaction will be subject to reasonable and market-appropriate lease conditions and rates, aligning with general business practices. However, if there are any changes in the future to the conditions, prices, or any details of the lease with Sathorn Sixteen Company Limited., the Company will adhere to the regulations. Such transactions shall be disclosed to the Audit Committee and the Board of Directors for their opinions and/or considerations before entering into the transactions.

### **Investor Protection Measures**

To protect investors in the future, if there are transactions between the Company and a person who may have conflicts of interest or may pose conflicts of interest in the future, the Company will present such transactions at the Board's meetings with the Audit Committee members (except for connected transactions with general trade conditions). In regard to ensure fairness and establish an appropriate pricing policy for connected transactions, the Board must adhere to the securities and exchange laws, regulations, notifications, orders of the Stock Exchange of Thailand, and requirements related to the disclosure of related transactions, asset acquisition or disposition.





## Information of the Board of Directors, Directors of the Subsidiary, Executives, the Person Taking the Highest Responsibility in Finance and Accounting, the Person Supervising Accounting, Company Secretary and Head of Internal Audit

### Board of Directors and Management

#### Mr. Woodtipong Moleechad

Chairman of the Board and  
Independent Director  
Age 75 years

**Appointed :** December 16, 2015

#### Re-elected

- April 8, 2018
- April 9, 2021
- April 10, 2023

**Percentage of Shareholding in the Company :** None

#### Educational Background/Certificate Program

- Bachelor of Economics, Thammasat University
- Advanced Audit Committee Program (AACP 44/2022), Thai Institute of Directors Association
- Anti-Corruption for Executive Program (ACEP 15/2015), Thai Institute of Directors Association
- Director Certification Program Update (DCPU 3/2015), Thai Institute of Directors Association
- Director Certification Program (DCP 130/2010), Thai Institute of Directors Association

**Family Relation between Management :** None

#### Working Experiences for the Past 5 Years

##### In Listed Companies

Present

- Chairman of the Board and Independent Director, Business Alignment Public Company Limited
- Chairman of the Board, Independent Director and Audit Committee Chairman, International Network System Public Company Limited
- Vice Chairman of the Board, Independent Director and Audit Committee Chairman, Triple I Logistic Public Company Limited
- Chairman of the Board, Independent Director, Chairman of the Nomination, Compensation and Corporate Governance Committee and Audit Committee Member, Symphony Communication Public Company Limited

##### In Non-Listed Companies

Present

- Chairman of the Board, Independent Director and Audit Committee Chairman, Supreme Distribution (Thailand) Public Company Limited

#### Ms. Srirat Chuchottaworn

Independent Director  
Age 55 years

**Appointed :** December 16, 2015

#### Re-elected

- April 18, 2018
- August 5, 2020
- April 8, 2022

**Percentage of Shareholding in the Company :** None

#### Educational Background/Certificate Program

- Master of Science in Information Technology in Business, Chulalongkorn University
- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Certified SAP consultant in FI/CO
- Director Certification Program (DCP 219/2016), Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP 24/2016), Thai Institute of Directors Association

**Family Relation between Management :** None

#### Working Experiences for the Past 5 Years

##### In Listed Companies

Present

- Independent Director, Audit Committee Chairman and Nomination and Remuneration Committee Member, Business Alignment Public Company Limited

##### In Non-Listed Companies

Present

- Director, Cancer Alliance Company Limited
- Director, Mix Easy (Thailand) Company Limited
- Director, I AM Consulting Company Limited
- Director, xCHAIN Network Company Limited
- Director, Pinno Solutions Company Limited





## Mr. Vipoota Trakulhoon

Independent Director  
Age 57 years

**Appointed :** December 16, 2015

### Re-elected

- April 18, 2019
- April 8, 2022

**Percentage of Shareholding in the Company :** None

### Educational Background/Certificate Program

- Master of Business Administration, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Bachelor of Business Administration (Banking and Finance), Chulalongkorn University
- Advanced Audit Committee Program (AACP 42/2021), Thai Institute of Directors Association
- Director Accreditation Program (DAP 117/2015), Thai Institute of Directors Association

**Family Relation between Management :** None

### Working Experiences for the Past 5 Years

#### In Listed Companies

Present

- Independent Director, Audit Committee Member and Nomination and Remuneration Committee Chairman, Business Alignment Public Company Limited
- Independent Director and Audit Committee Chairman, Sky ICT Public Company Limited
- Independent Director and Audit Committee Member, Thai Vegetable Oil Public Company Limited
- Independent Director and Audit Committee Member, Triple I Logistic Public Company Limited
- Independent Director, Millcon Steel Public Company Limited

#### In Non-Listed Companies

Present

- Director, Creative Power Company Limited

## Mr. Thanawat Lertwattanak

Independent Director  
Age 53 years

**Appointed :** December 16, 2015

### Re-elected

- April 18, 2017
- April 18, 2019
- April 9, 2021
- April 10, 2023

**Percentage of Shareholding in the Company :** 0.00%  
(2,000 shares)

### Educational Background/Certificate Program

- Master of Industrial Engineering (Manufacturing), University of Tennessee, Knoxville, USA
- Bachelor of Science (Computer Science), King Mongkut's Institute of Technology Ladkrabang
- Director Certification Program (DCP 219/2016), Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP 24/2016), Thai Institute of Directors Association

**Family Relation between Management :** None

### Working Experiences for the Past 5 Years

#### In Listed Companies

Present

- Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member, Business Alignment Public Company Limited
- Independent Director, Audit Committee Member, and Risk Management Committee Chairman, Master Style Public Company Limited

#### In Non-Listed Companies

Present

- Independent Director and Audit Committee Member, Index Creative Village Public Company Limited
- Director, I AM Consulting Company Limited
- Director, J Venture Company Limited
- Director, DeepSparks Company Limited
- Director, Prra-in Fintech Company Limited
- Director, Tokenine Company Limited
- Director, K Innovation Company Limited
- Director, PAC Corporation (Thailand) Company Limited

## Mr. Sompong Chunekitiyanone<sup>/1 /2</sup>

Director  
Age 61 years

**Appointed :** May 12, 2000

### Re-elected

- April 18, 2017
- August 5, 2020
- April 8, 2022

**Percentage of Shareholding in the Company :** 32.08%  
(192,705,000 shares)

### Educational Background/Certificate Program

- Master of Business Administration, National Institute of Development Administration (NIDA)
- Master of Science (Forensic Science), Mahidol University
- Bachelor of Science (Radiological Technology), Mahidol University
- Director Certification Program (DCP 204/2015), Thai Institute of Directors Association
- 1st VELA – Vitality Enhancement and Longevity Academy, Chulalongkorn University
- 9th Management Program for Senior Executives (FME.), The Comptroller General's Department
- 13th Top Executive Program in Commerce and Trade (TEPCoT), University of the Thai Chamber of Commerce
- 26th Capital Market Academy Leadership Program, The Stock Exchange of Thailand
- 2nd Advanced Master of Management Program (AMM), National Institute of Development Administration (NIDA)

**Family Relation between Management :** None

### Working Experiences for the Past 5 Years

#### In Listed Companies

Present

- Director, Nomination and Remuneration Committee Member, Executive Chairman, Risk Management Sub-Committee Chairman, Chief Executive Officer and Acting Chief Operating Officer, Business Alignment Public Company Limited

#### In Non-Listed Companies

Present

- Chairman of the Board, Cancer Alliance Company Limited
- Director, Sathorn Sixteen Company Limited

## Mr. Voravid Silapsud<sup>/1 /2</sup>

Director and the Person Taking the Highest Responsibility in Finance and Accounting<sup>/3</sup>  
Age 58 years

**Appointed :** May 12, 2000

### Re-elected

- April 18, 2018
- August 5, 2020
- April 10, 2023

**Percentage of Shareholding in the Company :** 30.96%  
(185,982,000 shares) (also including total no. of shares held by spouse)

### Educational Background/Certificate Program

- Master of Development Economics (Financial Economics), National Institute of Development Administration (NIDA)
- Master of Engineering (Engineering Industrial and Manufacturing), Asian Institute of Technology
- Bachelor of Engineering (Electronic), King Mongkut's Institute of Technology Ladkrabang
- Director Certification Program (DCP 205/2015), Thai Institute of Directors Association

**Family Relation between Management :** None

### Working Experiences for the Past 5 Years

#### In Listed Companies

Present

- Director, Nomination and Remuneration Committee Member, Executive Committee Member, Risk Management Sub-Committee Member and Chief Financial Officer, Business Alignment Public Company Limited

#### In Non-Listed Companies

Present

- Director, Cancer Alliance Company Limited
- Director, Sathorn Sixteen Company Limited



## Mr. Noppadol Suntanaphanich<sup>/1 /2</sup>

Director  
Age 52 years

**Appointed** : April 3, 2015

### Re-elected

- April 18, 2017
- April 18, 2019
- April 9, 2021

**Percentage of Shareholding in the Company** : 5.99%  
(36,000,000 shares)

### Educational Background/Certificate Program

- Master of Business Administration (Management), Ramkhamhaeng University
- Bachelor of Industrial Technology (Telecommunication Engineering), Mahanakorn University of Technology
- IT Governance and Cyber Resilience Program (ITG 8/2018), Thai Institute of Directors Association
- Directors Accreditation Program (DAP 123/2016), Thai Institute of Directors Association

**Family Relation between Management** : None

### Working Experiences for the Past 5 Years

#### In Listed Companies

Present

- Director, Executive Committee Member, Risk Management Sub-Committee Member and Chief Quality Officer, Business Alignment Public Company Limited

#### In Non-Listed Companies

Present

- Director, Sathorn Sixteen Company Limited

## Ms. Sukanlaya Khamnuan<sup>/2</sup>

Deputy Chief Financial Officer and the Person Supervising Accounting<sup>/4</sup>  
Age 39 years

**Appointed** : December 23, 2015

**Percentage of Shareholding in the Company** : 0.01%  
(33,000 shares)

### Educational Background/Certificate Program

- Master of Business Administration (Finance and Banking), Ramkhamhaeng University
- Bachelor of Business Administration (Accounting), Ramkhamhaeng University
- Directors Accreditation Program (DAP 136/2017), Thai Institute of Directors Association

**Family Relation between Management** : None

### Working Experiences for the Past 5 Years

#### In Listed Companies

Present

- Executive Committee Member, Risk Management Sub-Committee Member and Deputy Chief Financial Officer, Business Alignment Public Company Limited

#### In Non-Listed Companies

Present

- Director, Cancer Alliance Company Limited

**Remark:** No directors and management of the Company have any record of committing any illegal action.

<sup>/1</sup> Authorized directors of the Company are Mr. Sompong Chunekitayanone, Mr. Voravid Silapusid and Mr. Noppadol Suntanaphanich, any two of these three directors can jointly sign with the Company's seal affixed in accordance with the Affidavit.

<sup>/2</sup> Management of the Company in accordance with the definition of the SEC

<sup>/3</sup> Mr. Voravid Silapusid has been appointed as the person taking the highest responsibility in finance and accounting since May 12, 2000.

<sup>/4</sup> Ms. Sukanlaya Khamnuan has been appointed as the person supervising accounting since December 23, 2015.

## Details of Directors of the Subsidiary

Name of Directors	Business Alignment PCL.	Cancer Alliance Co., Ltd. (Subsidiary)
Mr. Woodtipong Moleechad	X, ID	-
Ms. Srirat Chuchottaworn	ID, ACC, NRC	/
Mr. Vipoota Trakulhoon	ID, AC, NRCC	-
Mr. Thanawat Lertwattanak	ID, AC, NRC	-
Mr. Sompong Chunekitayanone	/, NRC, ECC, RMCC, E	X
Mr. Voravid Silapusid	/, NRC, EC, RMC, E	/
Mr. Noppadol Suntanaphanich	/, EC, RMC, E	-
Ms. Sukanlaya Khamnuan	EC, RMC, E	/
Mr. Pittayapoom Phattharanuthaporn	-	/
Mr. Poompat Pattaranutaporn	-	/
Ms. Nuttha Somkusol	-	/

**Remark:** X = Chairman of the Board / = Director ID = Independent Director  
 ACC = Audit Committee Chairman AC = Audit Committee Member NRCC = Nomination and Remuneration Committee Chairman  
 NRC = Nomination and Remuneration Committee Member ECC = Executive Committee Chairman  
 EC = Executive Committee Member RMCC = Risk Management Sub-Committee Chairman  
 RMC = Risk Management Sub-Committee Member E = Management according to the definition of the SEC

## Company Secretary

### Ms. Phatthranit Amornratchai

Age 37 years

**Appointed :** April 10, 2023

**Percentage of Shareholding in the Company :** None

#### Educational Background/Certificate Program

- Bachelor of Arts (English for International Communication), Rajamangala University of Technology Krungthep
- Company Secretary Program (CSP 138/2023), The Thai Institute of Directors Association
- Professional Development Program for Company Secretary, Thai Listed Companies Association

**Family Relation between Management :** None

#### Working Experiences for the Past 5 Years

##### In Listed Companies

- 2022 - February 2023 Section Head - Corporate Affairs, Thai Wah Public Company Limited
- 2019 - 2021 Senior Officer - Corporate Affairs, Thai Wah Public Company Limited

##### In Non-Listed Companies

- None

## Head of Internal Audit

### Ms. Piyamas Ruangsaengrob

Certified Public Accountant No. 7133

Age 45 years

**Appointed :** April 16, 2015

**Percentage of Shareholding in the Company :** None

#### Educational Background

- Master of Financial Accounting and Assurance, Thammasat University
- Graduate Diploma Program (Auditing Program), Chulalongkorn University
- Bachelor of Business Administration (Accounting), Rajamangala Institute of Technology, Bophitphimuk Chakkrawat Campus (Currently known as Rajamangala University of Technology Rattanakosin)
- Bachelor of Arts (Mass Communication), Ramkhamhaeng University
- Audit Factor Certificate, Chulalongkorn University

#### Certificate, Training and Seminar

- 7<sup>th</sup> Internal Auditing Certificate Program (IACP), Federation of Accounting Professions
- IT Audit Program Certificate, Federation of Accounting Professions
- 3<sup>rd</sup> Accounting Professions Audit Office for Quality Certification under the ISQC1 Standard Certificate Program, Federation of Accounting Professions
- Capital Market Auditor Development Certificate Program, Securities and Exchange Commission and the Federation of Accounting Professions
- Practices after Receiving Investment Promotion Certificate Program, The Association of Investors Club
- Tax Law Certificate Program (Customs Tax, Excise Tax and Stamp Duty, VAT, Specific Business Tax, Corporate Income Tax, Personal Income Tax and International Tax), Thammasat University
- Agile Internal Audit Class 2/2022
- Build Understanding in New Financial Reporting Standards TFRS 16 (Lease Agreement) (2022)
- Audit Training Program Classified by Business Type (Hotel Business) (2022)
- Comprehension in TFRS 9 Basic Principles (Fundamental of TFRS 9)

**Family Relation between Management :** None

#### Working Experiences for the Past 5 Years

- 2010 - Present Managing Partner (Internal Audit Services), Honor Audit and Advisory Company Limited
- 2019 - Present Visiting Lecturer, Burapha University
- 2019 - 2021 Visiting Lecturer, Bangkok University
- 2019 Visiting Lecturer, Thammasat University



## Report of the Audit Committee

The Audit Committee (“AC”) of Business Alignment Public Company Limited (“the Company”) comprises of three independent directors. Each AC member possesses the qualifications as stipulated in the AC Charter, aligning with the relevant laws and regulations.

In 2023, the AC formally convened four meetings and all members of the AC attended the meetings, details as follows:

Name	Position	Number of Meeting Attendances
Ms. Srirat Chuchottaworn	Audit Committee Chairman	4/4
Mr. Vipoota Trakulhoon *	Audit Committee Member	4/4
Mr. Thanawat Lertwattanak	Audit Committee Member	4/4

\* The AC member who has adequate expertise and experience to review creditability of the financial statements.

The AC convened the meetings where both the internal auditors and the external auditors participated. The management and the accounting team also attended the meetings as appropriate. The purpose of the meetings was to review, exchange opinions, and provide suggestions in order to ensure the accuracy of the financial statements according to the accounting standard requirements. There was adequate information disclosure. Furthermore, no actions were identified that would conflict with the relevant laws and regulations.

The AC has regularly reported its activities to the Board of Directors. The summarized performances are as follows:

### • Financial Reports Reviewing

The AC, in collaboration with external auditors, management, and internal auditors, has reviewed the Company’s quarterly and annual financial statements to provide recommendations to the Board of Directors.

### • Conflict of Interest

The AC has reviewed connected transactions or items that may have conflicts of interest, based on reasonable justifications, stakeholder benefits, and the requirement for adequate information disclosure in accordance with the relevant regulations.

### • Internal Control and Risk Management

The AC has reviewed the adequacy of the Company’s internal control system, based on reports from both the internal auditors and the external auditors. It aims to ensure the sufficiency and effectiveness of the internal control system, encompassing risk management as well.

### • Compliance with Laws and Regulations

The AC has reviewed the Company’s compliance to ensure strict adherence to relevant laws and regulations.

### • Good Corporate Governance

The AC has reviewed and encouraged the Company to comply with the Corporate Governance Code, promoting transparency, fairness, and trust among stakeholders.



- **Internal Audit**

The AC has reviewed the objectives, scope of work, and approved the annual audit plan for the year 2024. This included providing recommendations and observations, acknowledging the audit findings and suggestions for the year 2024 from the external auditors and the internal audit unit. The AC also provided suggestions to the management, which were duly acknowledged, and appropriate actions have been taken.

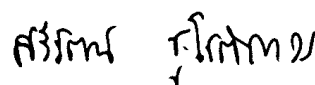
- **Selecting and Proposing the Appointment of the External Auditor**

The AC has evaluated the qualifications, audit expertise, and suitability for the volume of work to be audited for the fiscal year 2023. The AC has recommended to the Board of Directors the appointment of Mr. Samran Taengcham, Certified Public Accountant No. 8021 and/or Ms. Nuttira Pongpinitpinyo, Certified Public Accountant No. 7362 and/or Mr. Piya Chaiyapruerkmalakarn, Certified Public Accountant No.7544 of EY Office Limited, all of whom are independent, possess accepted qualifications, and are approved by the SEC to be the Company's auditors. The appointment and the auditing fee would be subject to the approval at the Annual General Shareholders' Meeting.

Furthermore, the AC also attended one non-management meeting with the external auditor to deliberate accounting approaches and audit plans.

The AC conducted its self-evaluation (as a whole) for the year 2023, results of which was reported to the Board of Directors as well as disclosed in the Company's form 56-1 one report.

The AC is of the view that in the year 2023, the Company and its subsidiary have accurately reported financial information and operations. They have internal control systems, internal auditing procedures, risk management, and anti-corruption measures that are appropriate and efficient. Good corporate governance principles, aligned with relevant laws and regulations, have been implemented. The disclosure of the Company's connected transactions is also sufficient and transparent.



**Ms. Srirat Chuchottaworn**  
Audit Committee Chairman

Business Alignment Public Company Limited



## Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee (“NRC”) of Business Alignment Public Company Limited (“the Company”) comprises of five directors, with independent directors representing 60% of the entire NRC.

In 2023, the NRC convened two meetings and all members of the AC attended the meetings, details as follows:

Name	Position	Number of Meeting Attendances
Mr. Vipoota Trakulhoon	Nomination and Remuneration Committee Chairman	2/2
Ms. Srirat Chuchottaworn	Nomination and Remuneration Committee Member	2/2
Mr. Thanawat Lertwattanak	Nomination and Remuneration Committee Member	2/2
Mr. Sompong Chunekityanone	Nomination and Remuneration Committee Member	2/2
Mr. Voravid Silapusid	Nomination and Remuneration Committee Member	2/2

The NRC has established clear policies, criteria, and procedures for director selection and remuneration determination in compliance with relevant laws and regulations. Selection is based on the following criteria:

- No possessing characteristics prohibited by laws and regulations
- No overlapping benefit or conflict of interest with the Company
- Knowledge, experience, and specific abilities beneficial to the Company and its industry are considered for the Board’s composition. A Board Skill Matrix is prepared for the nomination to be aligned with the Company’s business direction, including areas such as business, strategy, law, finance, accounting, economics, international business, and information technology, to ensure knowledge and abilities are aligned and benefit the Company.
- Having ethics, morality, and integrity
- Allocating sufficient time to perform the duties

The remuneration of the directors is determined based on their responsibilities, performance aligned with roles, commitment, the type and size of the Company, and industry benchmark. This is to ensure that the remuneration is at an appropriate level for motivating and retaining directors.

NRC performed its duties with due care, competence, and independence, adhering to the principles of good corporate governance, prioritizing the benefit for the Company, shareholders, and stakeholders.

**Mr. Vipoota Trakulhoon**

Nomination and Remuneration Committee Chairman  
Business Alignment Public Company Limited





## Board of Directors' Responsibility for the Company's Financial Statements

The Board of Directors is aware of its responsibilities and duties as directors of a company listed on the Stock Exchange of Thailand for ensuring that the Company's financial reports for the fiscal year 2023 are prepared with accurate, complete, and transparent financial information, sufficient to safeguard the Company's assets, prevent fraud and irregularities, and comply with appropriate accounting standards. The Board also considers the relevance and adequacy of the financial information presented in the Form 56-1 One Report for the fiscal year 2023 of the Company.

In order to enhance trust in the financial reports of the Company among stakeholders, the Board of Directors has appointed the Audit Committee which comprise of independent directors who possess the qualifications as required by the Stock Exchange of Thailand. Their role are to review the Company's financial and operations reports to ensure accuracy, transparency, and completeness, including related party transactions or items that may have conflicts of interest. The Audit Committee also oversees risk management, internal control, internal audit, and corporate governance of the Company to ensure the appropriateness and efficiency, as well as the compliance with laws and relevant regulations.

The Board of Directors is of the opinion that the Company's financial statements for the fiscal year 2023 ended December 31, 2023, which were jointly audited by the Audit Committee, Management, and the external auditors, accurately present the financial position, operating results, and cash flows of the Company. The financial statements are deemed accurate, credible, sufficient and in accordance with generally accepted accounting standards. The Company follows appropriate accounting policies and consistently applies them. Information is disclosed transparently, sufficiently, and accurately in compliance with laws and relevant regulations.

**Mr. Sompong Chunekitiyanone**  
Director and  
Chief Executive Officer

**Mr. Voravid Silapusid**  
Director and  
Chief Financial Officer





# 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 2023, 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 2023, 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 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: 19 February 2024

**Business Alignment Public Company Limited and its subsidiary**

**Statements of financial position**

**As at 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	624,444,812	233,707,941	580,495,298	195,615,487
Trade and other receivables	8	190,132,482	231,380,519	174,636,343	208,955,345
Inventories	9	84,124,195	316,080,033	83,107,241	314,749,423
Other current financial assets	10	38,039,719	31,592,591	38,039,719	31,592,591
Other current assets	11	100,728,255	143,858,133	98,311,343	143,313,935
<b>Total current assets</b>		<b>1,037,469,463</b>	<b>956,619,217</b>	<b>974,589,944</b>	<b>894,226,781</b>
<b>Non-current assets</b>					
Restricted bank deposits	12	80,790,540	79,943,539	80,790,540	79,943,539
Investment in subsidiary	13	-	-	258,900,000	258,900,000
Property, plant and equipment	14	338,235,478	349,484,507	18,993,463	21,432,182
Right-of-use assets	19	1,635,411	3,324,336	1,383,699	2,767,398
Intangible assets	15	2,187,251	1,013,646	2,083,063	877,846
Deferred tax assets	29	15,885,299	14,583,313	14,205,028	12,680,877
Other non-current assets		1,338,500	1,328,500	444,500	444,500
<b>Total non-current assets</b>		<b>440,072,479</b>	<b>449,677,841</b>	<b>376,800,293</b>	<b>377,046,342</b>
<b>Total assets</b>		<b>1,477,541,942</b>	<b>1,406,297,058</b>	<b>1,351,390,237</b>	<b>1,271,273,123</b>

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 2023**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	16	-	91,488,230	-	91,488,230
Current trade and other payables	17	305,572,743	239,145,591	286,734,820	227,006,118
Current portion of long-term borrowings	18	13,881,176	32,701,196	-	-
Current portion of lease liabilities	19	1,854,446	1,818,433	1,572,916	1,468,102
Income tax payable		25,182,488	18,948,026	25,182,488	18,948,026
Short-term provisions	21	11,053,234	11,265,387	11,053,234	11,265,387
Other current financial liabilities	37	3,346,208	9,831,158	3,346,208	9,831,158
<b>Total current liabilities</b>		<u>360,890,295</u>	<u>405,198,021</u>	<u>327,889,666</u>	<u>360,007,021</u>
<b>Non-current liabilities</b>					
Non-current trade and other payables	17	102,271,300	70,705,041	102,271,300	70,705,041
Long-term borrowings, net of current portion	18	96,068,185	94,815,222	-	-
Lease liabilities, net of current portion	19	-	1,826,842	-	1,572,916
Provision for long-term employee benefits	20	11,174,742	9,834,430	9,072,246	8,294,448
Long-term provisions	21	4,897,238	3,286,285	4,897,238	3,286,285
<b>Total non-current liabilities</b>		<u>214,411,465</u>	<u>180,467,820</u>	<u>116,240,784</u>	<u>83,858,690</u>
<b>Total liabilities</b>		<u>575,301,760</u>	<u>585,665,841</u>	<u>444,130,450</u>	<u>443,865,711</u>

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 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Liabilities and shareholders' equity (continued)</b>					
<b>Shareholders' equity</b>					
Share capital	22				
Registered					
660,000,000 ordinary shares of Baht 0.5 each		<u>330,000,000</u>	<u>330,000,000</u>	<u>330,000,000</u>	<u>330,000,000</u>
Issued and fully paid up					
600,734,989 ordinary shares of Baht 0.5 each		300,367,495	300,367,495	300,367,495	300,367,495
Share premium	23	225,540,721	225,540,721	225,540,721	225,540,721
Deficit on changes in percentage					
of shareholding in subsidiary	13	(7,745,877)	(7,745,877)	-	-
Retained earnings					
Appropriated-statutory reserve	24	33,000,000	28,850,414	33,000,000	28,850,414
Unappropriated		<u>282,884,034</u>	<u>205,754,917</u>	<u>348,351,571</u>	<u>272,648,782</u>
Equity attributable to owners of the Company		<u>834,046,373</u>	<u>752,767,670</u>	<u>907,259,787</u>	<u>827,407,412</u>
Non-controlling interests of the subsidiary		<u>68,193,809</u>	<u>67,863,547</u>	-	-
<b>Total shareholders' equity</b>		<u>902,240,182</u>	<u>820,631,217</u>	<u>907,259,787</u>	<u>827,407,412</u>
<b>Total liabilities and shareholders' equity</b>		<u>1,477,541,942</u>	<u>1,406,297,058</u>	<u>1,351,390,237</u>	<u>1,271,273,123</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 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenue from sales of goods	25	1,148,654,442	786,406,976	1,148,654,442	786,558,378
Revenue from rendering of services	25	437,294,320	341,031,704	442,777,277	346,366,629
Revenue from hospital operations	25	103,025,196	98,139,317	-	-
Gain on exchange		3,734,563	5,582,151	3,734,563	5,582,151
Other income		5,692,130	4,036,469	5,351,817	3,756,373
<b>Total revenues</b>		<u>1,698,400,651</u>	<u>1,235,196,617</u>	<u>1,600,518,099</u>	<u>1,142,263,531</u>
<b>Expenses</b>					
Cost of sales of goods		911,598,929	622,360,378	911,598,929	622,360,378
Cost of rendering of services		367,907,962	278,373,663	367,907,962	278,373,663
Cost of hospital operations		76,315,986	73,086,446	-	-
Selling and distribution expenses		23,568,385	21,093,094	23,310,990	21,057,993
Administrative expenses		55,508,161	59,220,283	42,834,474	42,972,250
<b>Total expenses</b>		<u>1,434,899,423</u>	<u>1,054,133,864</u>	<u>1,345,652,355</u>	<u>964,764,284</u>
<b>Operating profit</b>		263,501,228	181,062,753	254,865,744	177,499,247
Finance cost	27	(11,785,850)	(14,337,666)	(5,187,335)	(5,659,544)
<b>Profit before income tax expenses</b>		251,715,378	166,725,087	249,678,409	171,839,703
Income tax expenses	29	(50,188,682)	(35,012,716)	(49,966,517)	(34,831,423)
<b>Profit for the year</b>		<u>201,526,696</u>	<u>131,712,371</u>	<u>199,711,892</u>	<u>137,008,280</u>
<b>Other comprehensive income</b>					
<i>Item not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain - net of income tax		229,267	1,166,420	287,481	847,915
<b>Other comprehensive income for the year</b>		<u>229,267</u>	<u>1,166,420</u>	<u>287,481</u>	<u>847,915</u>
<b>Total comprehensive income for the year</b>		<u>201,755,963</u>	<u>132,878,791</u>	<u>199,999,373</u>	<u>137,856,195</u>

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 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit attributable to:</b>					
Equity holders of the Company		201,181,282	133,429,002	<u>199,711,892</u>	<u>137,008,280</u>
Non-controlling interests of the subsidiaries		<u>345,414</u>	<u>(1,716,631)</u>		
		<u>201,526,696</u>	<u>131,712,371</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		201,425,701	134,512,520	<u>199,999,373</u>	<u>137,856,195</u>
Non-controlling interests of the subsidiaries		<u>330,262</u>	<u>(1,633,729)</u>		
		<u>201,755,963</u>	<u>132,878,791</u>		
<b>Earnings per share</b>					
	31				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.33</u>	<u>0.22</u>	<u>0.33</u>	<u>0.23</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.33</u>	<u>0.22</u>	<u>0.33</u>	<u>0.22</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 2023**

(Unit: Baht)

	Consolidated financial statements						
	Equity attributable to owners of the Company						
	Issued and paid-up share capital	Share premium	Deficit on changes in percentage of shareholding in subsidiary	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests of the subsidiary	Total shareholders' equity
<b>Balance as at 1 January 2022</b>	200,000,000	222,332,048	-	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	-
<b>Balance as at 31 December 2022</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>(7,745,877)</b>	<b>205,754,917</b>	<b>752,767,670</b>	<b>67,863,547</b>	<b>820,631,217</b>

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 2023

(Unit: Baht)

	Consolidated financial statements								
	Equity attributable to owners of the Company				Total equity				
	Issued and paid-up share capital	Share premium	Deficit on changes in percentage of shareholding in subsidiary	Retained earnings	Unappropriated statutory reserve	Appropriated statutory reserve	attribution to owners of the Company	Non-controlling interests of the subsidiary	Total shareholders' equity
<b>Balance as at 1 January 2023</b>	300,367,495	225,540,721	(7,745,877)	205,754,917	28,850,414	244,419	752,767,670	67,863,547	820,631,217
Profit for the year	-	-	-	201,181,282	-	-	201,181,282	345,414	201,526,696
Other comprehensive income for the year	-	-	-	-	-	244,419	244,419	(15,152)	229,267
Total comprehensive income for the year	-	-	-	201,181,282	-	-	201,425,701	330,262	201,755,963
Transfer to statutory reserve (Note 24)	-	-	-	(4,149,586)	4,149,586	-	-	-	-
Dividend paid (Note 34)	-	-	-	(120,146,998)	-	-	(120,146,998)	-	(120,146,998)
<b>Balance as at 31 December 2023</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>(7,745,877)</b>	<b>282,884,034</b>	<b>33,000,000</b>	<b>244,419</b>	<b>834,046,373</b>	<b>68,193,809</b>	<b>902,240,182</b>

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 2023**

	<b>Separate financial statements</b>					(Unit: Baht)
	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity	
			Appropriated - statutory reserve	Unappropriated		
<b>Balance as at 1 January 2022</b>	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)	
<b>Balance as at 31 December 2022</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>28,850,414</b>	<b>272,648,782</b>	<b>827,407,412</b>	
<b>Balance as at 1 January 2023</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>28,850,414</b>	<b>272,648,782</b>	<b>827,407,412</b>	
Profit for the year	-	-	-	199,711,892	199,711,892	
Other comprehensive income for the year	-	-	-	287,481	287,481	
Total comprehensive income for the year	-	-	-	199,999,373	199,999,373	
Transfer to statutory reserve (Note 24)	-	-	4,149,586	(4,149,586)	-	
Dividend paid (Note 34)	-	-	-	(120,146,998)	(120,146,998)	
<b>Balance as at 31 December 2023</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>33,000,000</b>	<b>348,351,571</b>	<b>907,259,787</b>	

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 2023**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>				
Profit before tax	251,715,378	166,725,087	249,678,409	171,839,703
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	20,376,845	22,708,191	4,166,222	6,348,743
Reduction of inventory to net realisable value	1,859,201	447,290	1,806,404	395,274
Gain on sales of equipment	(31,020)	-	(31,020)	-
Written-off equipment and computer software	34,291	9,698	34,291	9,698
Provision for long-term employee benefits	1,641,449	1,673,008	1,137,149	1,130,719
Unrealised gain on exchange rate	(404,062)	(854,466)	(404,062)	(854,466)
Unrealised (gain) loss on derivative	(6,629,846)	12,489,870	(6,629,846)	12,489,870
Finance income	(2,717,950)	(1,264,969)	(2,526,789)	(1,161,132)
Finance cost	11,785,850	14,337,666	5,187,335	5,659,544
Profit from operating activities before changes in operating assets and liabilities	277,630,136	216,271,375	252,418,093	195,857,953
Operating assets (increase) decrease				
Trade and other receivables	41,525,927	345,257,707	34,596,892	352,227,206
Inventories	230,096,637	(4,835,029)	229,835,778	(4,595,467)
Other current assets	43,943,457	(55,516,141)	45,002,592	(55,360,667)
Other non-current assets	(10,000)	(293,059)	-	-
Operating liabilities increase (decrease)				
Trade and other payables	98,708,381	(215,572,598)	91,971,866	(218,553,081)
Provision	1,398,800	(2,881,563)	1,398,800	(2,881,563)
Cash flows from operating activities	693,293,338	282,430,692	655,224,021	266,694,381
Cash paid for corporate income tax	(46,141,655)	(63,725,505)	(45,328,077)	(63,163,130)
<b>Net cash flows from operating activities</b>	<b>647,151,683</b>	<b>218,705,187</b>	<b>609,895,944</b>	<b>203,531,251</b>

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 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Cash flows from investing activities</b>					
Cash received from interest income		2,427,446	1,284,788	2,236,285	1,180,951
Increase in fixed deposits		(6,302,232)	(31,060,783)	(6,302,232)	(31,060,783)
(Increase) decrease in restricted bank deposits		(847,001)	34,953,075	(847,001)	34,953,075
Cash paid to increase subsidiary's capital		-	-	-	(115,900,000)
Acquisitions of equipment and intangible assets		(8,695,207)	(280,591)	(1,631,731)	(280,591)
Proceeds from sales of equipment		79,439	-	79,439	-
<b>Net cash flows from (used in) investing activities</b>		<b>(13,337,555)</b>	<b>4,896,489</b>	<b>(6,465,240)</b>	<b>(111,107,348)</b>
<b>Cash flows from financing activities</b>					
Cash paid for interest expenses		(11,966,705)	(14,490,748)	(5,330,123)	(6,131,874)
Decrease in short-term borrowings					
from financial institutions		(91,488,230)	(23,698,587)	(91,488,230)	(23,698,587)
Repayment of long-term borrowings	18	(17,567,056)	(119,616,588)	-	-
Cash paid for principal portion of lease liabilities		(1,790,828)	(1,676,147)	(1,468,102)	(1,369,128)
Cash received from non-controlling interest for subsidiary's capital increase		-	14,100,000	-	-
Proceeds from increase in share capital		-	3,593,713	-	3,593,713
Dividend paid		(120,146,998)	(171,084,185)	(120,146,998)	(171,084,185)
<b>Net cash flows used in financing activities</b>		<b>(242,959,817)</b>	<b>(312,872,542)</b>	<b>(218,433,453)</b>	<b>(198,690,061)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>					
		390,854,311	(89,270,866)	384,997,251	(106,266,158)
Net foreign exchange difference		(117,440)	(387,294)	(117,440)	(387,294)
Cash and cash equivalents at beginning of year		233,707,941	323,366,101	195,615,487	302,268,939
<b>Cash and cash equivalents at end of year</b>		<b>624,444,812</b>	<b>233,707,941</b>	<b>580,495,298</b>	<b>195,615,487</b>

**Supplemental cash flows information**

Non-cash items consist of:

Increase in share capital for stock dividends	22, 34	-	99,982,455	-	99,982,455
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The accompanying notes are an integral part of the financial statements.



**Business Alignment Public Company Limited and its subsidiary**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2023**

**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	
			2023 Percent	2022 Percent
Cancer Alliance Company Limited	Hospital business (specialised in cancer treatment)	Thailand	73.97	73.97



- 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.
- f) 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 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 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 2024**

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 2024. 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.

#### *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 has 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<b>Transactions with subsidiary company</b>					
(eliminated from the consolidated financial statements)					
Income from guaranteeing of credit facilities	-	-	55	55	0.02% per annum
Sale and service income	-	-	5,483	5,486	Contract price
<b>Transactions with related person or companies</b>					
Office rental	1,626	1,626	1,626	1,626	Contract price
Other rental expense	937	748	-	-	Market price
Cost of foods	610	488	-	-	Market price
Cost of laundry	383	427	-	-	Contract price
Doctor fee	372	512	-	-	Market price
Software maintenance fee	959	890	-	-	Contract price

As at 31 December 2023 and 2022, 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Trade and other receivables - related parties (Note 8)</b>				
Subsidiary	-	-	272	1,630
Related companies	95	76	-	-
Total trade and other receivables - related parties	<u>95</u>	<u>76</u>	<u>272</u>	<u>1,630</u>
<b>Other current assets - related party</b>				
Related company	-	172	-	172
Total other current assets - related party	<u>-</u>	<u>172</u>	<u>-</u>	<u>172</u>
<b>Other non-current assets - related parties</b>				
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>
<b>Trade and other payable - related party (Note 17)</b>				
Related company	429	936	62	150
Total trade and other payable - related party	<u>429</u>	<u>936</u>	<u>62</u>	<u>150</u>
<b>Liabilities under lease agreements - related party</b>				
Related company	1,573	3,041	1,573	3,041
Total liabilities under lease agreements - related party	<u>1,573</u>	<u>3,041</u>	<u>1,573</u>	<u>3,041</u>





## Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	21,170	22,152	18,170	19,115
Post-employment benefits	1,687	1,623	1,386	1,337
Total	<u>22,857</u>	<u>23,775</u>	<u>19,556</u>	<u>20,452</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 Note 35.3 to the financial statements.

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	361	220	34	33
Bank deposits	624,084	233,488	580,461	195,582
Total	<u>624,445</u>	<u>233,708</u>	<u>580,495</u>	<u>195,615</u>

As at 31 December 2023, bank deposits carried interests between 0.15 and 1.00 percent per annum (2022: between 0.10 and 0.45 percent per annum).



## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	117,014	179,945	107,267	164,848
Past due				
Up to 3 months	15,396	10,905	12,397	6,347
3 - 6 months	2,836	1,123	683	-
6 - 12 months	288	1,343	-	35
Total	135,534	193,316	120,347	171,230
Unbilled receivables	53,825	36,600	53,511	35,891
Total trade receivable - unrelated parties	189,359	229,916	173,858	207,121
<b>Trade receivables - related parties</b>				
Aged on the basis of due dates				
Not yet due	-	-	244	1,602
Total trade receivables - related parties	-	-	244	1,602
Total trade receivables	189,359	229,916	174,102	208,723
<b>Other receivables</b>				
Other receivables - related parties	95	76	28	28
Others	678	1,389	506	204
Total other receivables	773	1,465	534	232
Total trade and other receivables	190,132	231,381	174,636	208,955

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	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Medical equipment and work in progress	80,116	306,764	-	-	80,116
Spare parts and supplies	4,797	6,587	(1,806)	(395)	2,991	6,192
Medicine, medical supplies and other supplies	1,070	1,383	(53)	(52)	1,017	1,331
Goods in transit	-	1,793	-	-	-	1,793
<b>Total</b>	<b>85,983</b>	<b>316,527</b>	<b>(1,859)</b>	<b>(447)</b>	<b>84,124</b>	<b>316,080</b>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Medical equipment and work in progress	80,116	306,764	-	-	80,116
Spare parts and supplies	4,797	6,587	(1,806)	(395)	2,991	6,192
Goods in transit	-	1,793	-	-	-	1,793
<b>Total</b>	<b>84,913</b>	<b>315,144</b>	<b>(1,806)</b>	<b>(395)</b>	<b>83,107</b>	<b>314,749</b>

During the current year, the Group reduced cost of inventories by Baht 1.4 million (Separate financial statements: Baht 1.4 million), to reflect the net realisable value. This was included in cost of goods sold (2022: 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).



## 10. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<i>Debt instruments at amortised cost</i>				
Fixed deposits	37,895	31,593	37,895	31,593
Total debt instruments at amortised cost	37,895	31,593	37,895	31,593
<i>Financial assets at FVTPL</i>				
Derivative assets	145	-	145	-
Total financial assets at FVTPL	145	-	145	-
Total other current financial assets	38,040	31,593	38,040	31,593

As at 31 December 2023, fixed deposits carry interests 1.00 percent per annum (2022: between 0.50 and 0.55 percent per annum).

## 11. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Prepaid service cost	69,979	89,373	69,979	89,373
Advance for purchase of inventories	12,539	28,149	12,539	28,149
Input tax refundable	11,184	21,841	11,184	21,841
Prepaid expenses	2,702	3,208	2,142	2,664
Undue input tax	2,464	1,248	2,464	1,248
Others	1,860	39	3	39
Total other current assets	100,728	143,858	98,311	143,314

## 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			(%)	(%)		
Cancer Alliance Company Limited	350,000	350,000	73.97	73.97	258,900	258,900

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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(%)	(%)				
Cancer Alliance Company Limited	26.03	26.03	68	68	0.3	(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>2023</u>	<u>2022</u>
Current assets	63	64
Non-current assets	330	340
Current liabilities	33	47
Non-current liabilities	98	97

Summarised information about comprehensive income

(Unit: Million Baht)

For the year ended  
31 December

	Cancer Alliance Company Limited	
	<u>2023</u>	<u>2022</u>
Revenue	103	98
Profit (loss)	1	(6)
Total comprehensive profit (loss)	1	(6)

Summarised information about cash flows

(Unit: Million Baht)

For the year ended  
31 December

	Cancer Alliance Company Limited	
	<u>2023</u>	<u>2022</u>
Cash flow from operating activities	37	15
Cash flow from (used in) investing activities	(7)	116
Cash flow used in financing activities	(24)	(114)
Net increase in cash and cash equivalents	6	17



## 14. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land	Buildings and improvements	Medical equipment	Tools, furniture and office equipment	Vehicles	
<b>Cost</b>						
1 January 2022	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
Additions	-	6,947	44	336	-	7,327
Disposal	-	-	-	(66)	-	(66)
Write-off	-	-	-	(363)	-	(363)
31 December 2023	60,480	239,376	107,895	15,821	2,666	426,238
<b>Accumulated depreciation</b>						
1 January 2022	-	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
Depreciation for the year	-	8,150	7,770	2,077	532	18,529
Accumulated depreciation on disposal	-	-	-	(18)	-	(18)
Accumulated depreciation on write-off	-	-	-	(363)	-	(363)
31 December 2023	-	39,486	33,176	13,284	2,057	88,003
<b>Net book value</b>						
31 December 2022	60,480	201,093	82,445	4,326	1,141	349,485
31 December 2023	60,480	199,890	74,719	2,537	609	338,235
<b>Depreciation for the year</b>						
2022 (Baht 15.0 million included in cost of hospital operations, and the balance in administrative expenses)						20,884
2023 (Baht 15.8 million included in cost of hospital operations, and the balance in administrative expenses)						18,529

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings and building improvement	Tools, furniture and office equipment	Total
<b>Cost</b>			
1 January 2022	29,482	8,371	37,853
Additions	-	281	281
Write-off	-	(390)	(390)
31 December 2022	29,482	8,262	37,744
Additions	24	240	264
Disposals	-	(66)	(66)
Write-off	-	(363)	(363)
31 December 2023	29,506	8,073	37,579
<b>Accumulated depreciation</b>			
1 January 2022	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
Depreciation for the year	1,696	959	2,655
Accumulated depreciation on disposals	-	(18)	(18)
Accumulated depreciation on write-off	-	(363)	(363)
31 December 2023	11,508	7,078	18,586
<b>Net book value</b>			
31 December 2022	19,670	1,762	21,432
31 December 2023	17,998	995	18,993
<b>Depreciation for the year</b>			
2022 (included in administrative expenses)			4,842
2023 (included in administrative expenses)			2,655

As at 31 December 2023, 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 (2022: Baht 4 million) (Separate financial statements: Baht 3 million, 2022: Baht 3 million).

The subsidiary company has mortgaged its property, plant and equipment amounting to approximately Baht 320 million (2022: Baht 335 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 2023 and 2022 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cost	2,658	1,369	2,476	1,187
Less: Accumulated amortisation	(471)	(355)	(393)	(309)
Net book value	<u>2,187</u>	<u>1,014</u>	<u>2,083</u>	<u>878</u>

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 is presented below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	1,014	1,156	878	1,008
Acquisition	1,368	-	1,368	-
Amortisation for the year	(161)	(135)	(129)	(123)
Net book value of written off	(34)	(7)	(34)	(7)
Net book value at end of year	<u>2,187</u>	<u>1,014</u>	<u>2,083</u>	<u>878</u>



## 16. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trust receipts	-	2.76 - 8.50	-	91,488	-	91,488
Total			-	91,488	-	91,488

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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - unrelated parties	83,694	61,393	73,112	53,245
Trade payables - related parties	127	634	-	88
Current portion of long-term trade payables	-	4,502	-	4,502
Total trade payables	83,821	66,529	73,112	57,835
Advances from customers and unearned revenue - unrelated parties	200,914	160,812	200,693	160,725
Other payables - related parties	302	302	62	62
Accrued expenses	5,179	5,180	2,773	2,552
Others	15,357	6,323	10,095	5,832
Total other payables	221,752	172,617	213,623	169,171
Total current trade and other payables	305,573	239,146	286,735	227,006



## Non-current trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Long-term trade payables</b>				
Due in February and March 2023	-	4,636	-	4,636
Total	-	4,636	-	4,636
Less: Deferred interest expense	-	(134)	-	(134)
Present value of long-term trade payables	-	4,502	-	4,502
Less: Current portion	-	(4,502)	-	(4,502)
Non-current trade payables - net of current portion	-	-	-	-
Non-current unearned revenue	102,271	70,705	102,271	70,705
Total non-current trade and other payables	<u>102,271</u>	<u>70,705</u>	<u>102,271</u>	<u>70,705</u>

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 2023 and 2022 were summarised below.

(Unit: Thousand Baht)

Credit facilities	Period of loan agreement		Repayment of principal (Million Baht per month)	Interest rate (percent per annum)	Consolidated	
	Start	End			<u>2023</u>	<u>2022</u>
(million Baht)						
160	12 August 2021	11 July 2023	1.35	MLR - 2.25%	50,964	61,199
	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%	58,985	66,317
	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					<u>109,949</u>	<u>127,516</u>
Less: Current portion					<u>(13,881)</u>	<u>(32,701)</u>
Long-term loans - net of current portion					<u>96,068</u>	<u>94,815</u>



Movements of the long-term loan account during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Beginning balance	127,516	247,133
Repayments	<u>(17,567)</u>	<u>(119,617)</u>
Ending balance	<u>109,949</u>	<u>127,516</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 2023, the long-term credit facilities of the Group which have not been drawn down amounted to Baht 2.4 million (2022: 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 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Medical		
	Office building	equipments	Total
1 January 2022	4,151	862	5,013
Depreciation for the year	<u>(1,384)</u>	<u>(305)</u>	<u>(1,689)</u>
31 December 2022	2,767	557	3,324
Depreciation for the year	<u>(1,383)</u>	<u>(306)</u>	<u>(1,689)</u>
31 December 2023	<u>1,384</u>	<u>251</u>	<u>1,635</u>



	(Unit: Thousand Baht)
	Separate financial statements
	Office building
1 January 2022	4,151
Depreciation for the year	(1,384)
31 December 2022	2,767
Depreciation for the year	(1,383)
31 December 2023	1,384

## b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	1,922	3,902	1,634	3,268
Less: Deferred interest expenses	(68)	(257)	(61)	(227)
Total	1,854	3,645	1,573	3,041
Less: Portion due within one year	(1,854)	(1,818)	(1,573)	(1,468)
Lease liabilities - net of current portion	-	1,827	-	1,573

Movements of the lease liabilities account during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	3,645	5,321	3,041	4,410
Accretion of interest	180	294	158	257
Repayments	(1,971)	(1,970)	(1,626)	(1,626)
Balance at end of year	1,854	3,645	1,573	3,041

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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	1,689	1,689	1,383	1,384
Interest expense on lease liabilities	180	294	158	257
Expense relating to short-term leases	490	293	490	293
Expense relating to leases of low-value assets	56	52	56	52

### d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 2.5 million (2022: Baht 2.3 million) (Separate financial statements: Baht 2.2 million, 2022: Baht 2.0 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Provision for long-term employee benefits at beginning of year</b>	9,834	9,540	8,294	8,224
Included in profit or loss:				
Current service cost	1,360	1,447	898	935
Interest cost	281	226	239	196
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	21	(542)	-	(539)
Financial assumptions changes	28	(365)	26	(263)
Experience adjustments	(349)	(472)	(385)	(259)
<b>Provision for long-term employee benefits at end of year</b>	<u>11,175</u>	<u>9,834</u>	<u>9,072</u>	<u>8,294</u>

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 10 years (2022: 11 years) (Separate financial statements: 11 years, 2022: 11 years).



Significant actuarial assumptions are summarised below.

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.7 - 2.8	2.8 - 2.9	2.8	2.9
Salary increase rate	2.7 - 5.6	3.0 - 5.7	5.0 - 5.6	5.0 - 5.7
Turnover rate	0.0 - 12.0	0.0 - 12.0	0.0 - 7.0	0.0 - 7.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below.

(Unit: Million Baht)

	2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.60)	0.68	(0.51)	0.58
Salary increase rate	0.60	(0.54)	0.52	(0.47)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	Turnover rate	(0.24)	0.27	(0.20)

(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	0.63	(0.56)	0.55	(0.49)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
	Turnover rate	(0.23)	0.25	(0.20)

## 21. Provisions

	(Unit: Thousand Baht)
	Consolidated financial statements and Separate financial statements
	<u>Maintenance warranties</u>
1 January 2022	17,433
Increase during the year	4,500
Utilised	(5,214)
Reversal of provisions	(2,167)
31 December 2022	14,552
Increase during the year	8,400
Utilised	(4,911)
Reversal of provisions	(2,091)
31 December 2023	<u>15,950</u>

	(Unit: Thousand Baht)	
	Consolidated financial statements and Separate financial statements	
	<u>2023</u>	<u>2022</u>
Current	11,053	11,266
Non-current	4,897	3,286
	<u>15,950</u>	<u>14,552</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 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 2023 and 2022 were summarised below.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Balance at beginning of year	300,367	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>300,367</u>

### 22.3 Warrant

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>2023</u>	<u>2022</u>
Balance as at 1 January	28,850	22,000
Transfer during the year	4,150	6,850
Balance as at 31 December	<u>33,000</u>	<u>28,850</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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Type of goods or service:</b>				
Sales of goods	1,148,655	786,407	1,148,655	786,558
Rendering of services	437,294	341,032	442,777	346,367
Hospital operations	103,025	98,139	-	-
Total revenue from contracts with customers	<u>1,688,974</u>	<u>1,225,578</u>	<u>1,591,432</u>	<u>1,132,925</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	1,256,007	888,448	1,152,982	790,460
Revenue recognised over time	432,967	337,130	438,450	342,465
Total revenue from contracts with customers	<u>1,688,974</u>	<u>1,225,578</u>	<u>1,591,432</u>	<u>1,132,925</u>



## 25.2 Revenue recognised in relation to contract balances

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue recognised during the year that was included in contract liabilities at the beginning of the year	133,219	109,720	133,219	109,720

## 25.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, revenue totaling Baht 621 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) (2022: Baht 1,390 million) (Separate financial statements: Baht 621 million, 2022: Baht 1,390 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Unbilled receivables (Note 8)	53,825	36,600	53,511	35,891
Unearned revenue (Note 17)	303,185	231,517	302,964	231,430

The balance of unbilled receivables as at 31 December 2023 and 2022, 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Period to expected billing				
In up to 3 months	52,176	36,125	51,862	35,416
In over 3 and up to 12 months	1,649	475	1,649	475
Total unbilled receivables	<u>53,825</u>	<u>36,600</u>	<u>53,511</u>	<u>35,891</u>

## 27. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	6,608	8,778	31	137
Interest expenses on lease liabilities	180	294	158	257
Interest from discounting non-current accounts payable	25	285	25	285
interest from discounting advances received from customers and deferred revenue	4,973	4,981	4,973	4,981
<b>Total</b>	<b>11,786</b>	<b>14,338</b>	<b>5,187</b>	<b>5,660</b>

## 28. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cost of goods sold	911,599	622,360	911,599	622,360
Cost of service	377,310	302,999	354,885	268,046
Drugs, medical supplies and other materials used	5,745	5,899	-	-
Doctor fee	11,641	11,195	-	-
Salaries and wages and other employee benefits	47,780	40,630	35,469	29,176
Remuneration for directors and executives	22,857	23,775	19,556	20,452
Advertising and promotion expenses	3,181	967	3,153	2,088
Rental expense	738	650	725	615
Utility expense	13,821	12,947	768	676
Depreciation and amortisation	20,377	22,708	4,166	6,349



## 29. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax charge	51,563	36,938	51,563	36,938
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,374)	(1,925)	(1,596)	(2,107)
<b>Income tax expense reported in profit or loss</b>	<u>50,189</u>	<u>35,013</u>	<u>49,967</u>	<u>34,831</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax on actuarial gains (loss)	72	212	72	212

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	251,715	166,725	249,678	171,840
Applicable tax rate	Exempt and 20%	Exempt and 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	50,343	33,345	49,936	34,368
Effects of:				
Non-deductible expenses	136	1,004	85	483
Others	(290)	99	(54)	(20)
Total	(154)	1,103	31	463
Tax losses of subsidiary not recognised	-	565	-	-
<b>Income tax expense reported in profit or loss</b>	<u>50,189</u>	<u>35,013</u>	<u>49,967</u>	<u>34,831</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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Deferred tax assets</b>				
Allowance for diminution in value of				
inventories	362	79	362	79
Unearned revenue	7,929	5,660	8,159	6,013
Provision for long-term employee benefits	2,077	1,922	1,814	1,659
Other provision	3,190	2,910	3,190	2,910
Unrealised fair value loss on foreign exchange				
forward contracts	640	1,966	640	1,966
Unrealised gain on sales of medical equipment	1,647	1,992	-	-
Others	40	59	40	59
<b>Total</b>	<u>15,885</u>	<u>14,588</u>	<u>14,205</u>	<u>12,686</u>
<b>Deferred tax liabilities</b>				
Trade payables with interest component	-	(5)	-	(5)
<b>Total</b>	<u>-</u>	<u>(5)</u>	<u>-</u>	<u>(5)</u>
<b>Deferred tax liabilities - net</b>	<u>15,885</u>	<u>14,583</u>	<u>14,205</u>	<u>12,681</u>

As at 31 December 2023, the subsidiary has unused tax losses totaling Baht 76.8 million (2022: Baht 82.9 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>2023</u>	<u>2022</u>
31 December 2022	-	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	2.9
	<u>76.8</u>	<u>82.9</u>



### 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 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Promoted operations		Non-promoted operations		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Hospital operations	79,053	75,304	23,972	22,835	103,205	98,139

### 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.

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.



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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent						
201,181	133,429	600,735	600,316	0.33	0.22	
<b>Effect of dilutive potential ordinary shares</b>						
Warrant (BIZ-W1)						
-	-	-	9,978			
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares						
<u>201,181</u>	<u>133,429</u>	<u>600,735</u>	<u>610,294</u>	0.33	0.22	
Separate financial statements						
Profit for the year		Weighted average		Earnings		
		number of ordinary shares		per share		
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the parent						
199,712	137,008	600,735	600,316	0.33	0.23	
<b>Effect of dilutive potential ordinary shares</b>						
Warrant (BIZ-W1)						
-	-	-	9,978			
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares						
<u>199,712</u>	<u>137,008</u>	<u>600,735</u>	<u>610,294</u>	0.33	0.22	





## 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 2023 and 2022.

(Unit: Thousand Baht)

	For the year ended 31 December							
	Segment 1		Segment 2		Eliminations		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from external customers	1,591,432	1,132,925	103,025	98,139	(5,483)	(5,486)	1,688,974	1,225,578
Depreciation and amortisation	4,166	6,349	17,092	17,240	(881)	(881)	20,377	22,708
Interest expense	5,187	5,660	6,599	8,678	-	-	11,786	14,338
Profit (loss) before income tax expenses	249,678	171,840	1,326	(5,652)	711	537	251,715	166,725
Income tax expenses	(49,966)	(34,831)	-	-	(222)	(182)	(50,188)	(35,013)
Profit (loss) for the year	199,712	137,009	1,326	(5,652)	489	355	201,527	131,712
Segment total assets	1,351,390	1,271,273	393,378	404,268	(267,226)	(269,244)	1,477,542	1,406,297
Segment total liabilities	444,130	443,866	131,557	143,773	(385)	(1,973)	575,302	586,666



## 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 2023, the Group has revenue from six major customers in amount of Baht 1,299 million, arising from sales of medical equipment including installation and related activities segment (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).

### 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 2023 amounting to approximately Baht 1 million (2022: Baht 1 million) were recognised as expenses.

### 34. Dividends

On 10 April 2023, the Annual General Meeting of the Company's shareholders passed the resolution approving the payment of dividend in respect of operating results for the year 2022 at the rate of Baht 0.20 per share, totaling Baht 120,146,997.80. The Company paid the dividend on 25 April 2023.

On 8 April 2022, the Annual General Meeting of the Company's shareholders passed the resolution approving the payment of dividend in respect of operating results 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 remainder of Baht 0.6777777775 per share, or a total of Baht 271,111,111 in the forms of stock dividend and cash as follows:

1. Distributed stock dividend 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 stock dividend appropriation, the dividend shall be paid in cash instead of stock dividend at Baht 0.25 per share.
2. Paid dividend in the form of cash of Baht 171,111,111 (400 million shares at Baht 0.4277777775 per share).

The Company has already paid dividends on 5 May 2022

## **35. Commitments and contingent liabilities**

### **35.1 Contractual commitments**

- (1) 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 2024. The agreements may be early terminated by either party giving the other a notice in writing at least thirty days in advance.
- (2) The Company has entered into a long-term service agreement with a company. Under the agreement, the contractual party is obliged to provided the agreed-upon services encompassing the installation and maintenance of system along with other services in connection with the Proton Therapy Machine for cancer treatment. The Company has agreed to pay a quarterly service fee as stipulated in the agreement. The term of the agreement is 10 years and may be extended for an additional 10 years, subject to either party providing a notification to the other party at least 120 days before the expiration.

### **35.2 Lease commitments**

As at 31 December 2023, the subsidiary has future lease payments required under short-term leases of Baht 4 million (2022: Baht 1 million).

### **35.3 Guarantees**

- (1) The Company has guaranteed bank credit facilities of its subsidiary amounting to Baht 277 million (2022: Baht 277 million).
- (2) As at 31 December 2023, the Group has outstanding bank guarantees amounting to approximately Baht 247 million (2022: Baht 331 million) (Separate financial statements: Baht 247 million (2022: Baht 331 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 2023 and 2022, 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	
	2023	2022
	Level 2	Level 2
<b>Liabilities measured at fair value</b>		
Derivatives		
Forward contract	3	10

### 37. Financial instruments

#### 37.1 Derivatives

	(Unit: Million Baht)	
	Consolidated financial statements/Separate financial statements	
	2023	2022
<b>Derivative liabilities</b>		
Foreign exchange forward contracts	3	10
<b>Total derivative liabilities</b>	3	10

#### 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 2023 and 2022, 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	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<b><u>Financial assets</u></b>				
US dollar	0.10	0.48	34.0590	34.3913
<b><u>Financial liabilities</u></b>				
US dollar	0.60	0.83	34.3876	34.7335
Euro	0.06	0.01	38.3988	37.2053

**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 2023 and 2022. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Consolidated financial statements/Separate financial statements			
	2023		2022	
	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	169	+5	825
	- 5	(169)	- 5	(825)
Financial liability				
US dollar	+5	1,023	+5	1,442
	- 5	(1,023)	- 5	(1,442)



As at 31 December 2023 and 2022, the Company had outstanding forward exchange contracts, of which details are presented below.

Consolidated financial statements/Separate financial statements			
Currency	Amount bought (Million)	Maturity date	Contractual exchange rate (Baht per 1 foreign currency unit)
<b>31 December 2023</b>			
US dollar	5.2	January - June 2024	33.4200 - 34.4900
<b>31 December 2022</b>			
US dollar	10.8	February - June 2023	34.0500 - 38.1455

### ***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 2023 and 2022, 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 2023			
	Fixed interest			
	rates	Floating	Non- interest	
	Within 1 year	interest rate	bearing	Total
<b><u>Financial assets</u></b>				
Cash and cash equivalents	270	343	11	624
Trade and other receivables	-	-	190	190
Other current financial assets	38	-	-	38
Restricted bank deposits	65	16	-	81
	373	359	201	933
<b><u>Financial liabilities</u></b>				
Trade and other payables	-	-	408	408
Long-term loans	-	110	-	110
Derivatives liabilities	-	-	3	3
	-	110	411	521





(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	
<u>Financial assets</u>					
Cash and cash equivalents	41	-	176	17	234
Trade and other receivables	-	-	-	231	231
Other current financial assets	32	-	-	-	32
Restricted bank deposits	58	7	15	-	80
	131	7	191	248	577
<u>Financial liabilities</u>					
Short-term loans from financial institutions					
	91	-	-	-	91
Trade and other payables	-	-	-	310	310
Long-term loans	-	-	128	-	128
Derivatives liabilities	-	-	-	10	10
	91	-	128	320	539

(Unit: Million Baht)

Separate financial statements					
As at 31 December 2023					
	Fixed interest		Floating	Non- interest	Total
	rates			bearing	
	Within 1 year		interest rate		
<u>Financial assets</u>					
Cash and cash equivalents	270		302	8	580
Trade and other receivables	-		-	175	175
Other current financial assets	38		-	-	38
Restricted bank deposits	65		16	-	81
	373		318	183	874
<u>Financial liabilities</u>					
Trade and other payables					
	-		-	389	389
Derivatives liabilities					
	-		-	3	3
	-		-	392	392



(Unit: Million Baht)

Separate financial statements					
As at 31 December 2022					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total
	Within 1 year	1-5 years			
<b>Financial assets</b>					
Cash and cash equivalents	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>
<b>Financial liabilities</b>					
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>

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 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	As at 31 December 2023		
	Less than		
	1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	305,573	102,271	407,844
Lease liabilities	1,922	-	1,922
Long-term loans	13,881	96,068	109,949
<b>Total non-derivatives</b>	<b>321,376</b>	<b>198,339</b>	<b>519,715</b>

<b>Derivatives</b>			
Derivative liabilities: net settled	3,346	-	3,346
<b>Total derivatives</b>	<b>3,346</b>	<b>-</b>	<b>3,346</b>

(Unit: Thousand Baht)

	Consolidated financial statements		
	As at 31 December 2022		
	Less than		
	1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
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
<b>Total non-derivatives</b>	<b>371,817</b>	<b>172,612</b>	<b>544,429</b>

<b>Derivatives</b>			
Derivative liabilities: net settled	9,831	-	9,831
<b>Total derivatives</b>	<b>9,831</b>	<b>-</b>	<b>9,831</b>



(Unit: Thousand Baht)

	Separate financial statements		
	As at 31 December 2023		
	Less than		
	1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	286,735	102,271	389,006
Lease liabilities	1,634	-	1,634
<b>Total non-derivatives</b>	<b>288,369</b>	<b>102,271</b>	<b>390,640</b>
<b>Derivatives</b>			
Derivative liabilities: net settled	3,346	-	3,346
<b>Total derivatives</b>	<b>3,346</b>	<b>-</b>	<b>3,346</b>

(Unit: Thousand Baht)

	Separate financial statements		
	As at 31 December 2022		
	Less than		
	1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
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
<b>Total non-derivatives</b>	<b>320,659</b>	<b>72,339</b>	<b>392,998</b>
<b>Derivatives</b>			
Derivative liabilities: net settled	9,831	-	9,831
<b>Total derivatives</b>	<b>9,831</b>	<b>-</b>	<b>9,831</b>

### 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 2023, the Group's debt-to-equity ratio was 0.64:1 (2022: 0.71:1) and the Company's was 0.49:1 (2022: 0.54:1).

### **39. Event after the reporting period**

On 19 February 2024, a meeting of the Company's Board of Directors passed a resolution to propose the payment of a dividend of Baht 0.30 per share or a total of Baht 180.22 million from the Company's 2023 operating result. This will be proposed to the 2024 Annual General Meeting of the Company's shareholders for approval.

### **40. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 19 February 2024.



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