

Ref. BIZ 010/2024

November 11, 2024

Subject: Management Discussion and Analysis for the three-month period ended September 30, 2024

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

Business Alignment Public Company Limited (“the Company”) and its subsidiary would like to submit this Management Discussion and Analysis of the Company’s operation for the three-month period ended September 30, 2024, detailed as follows:

Business overview

The Company 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.

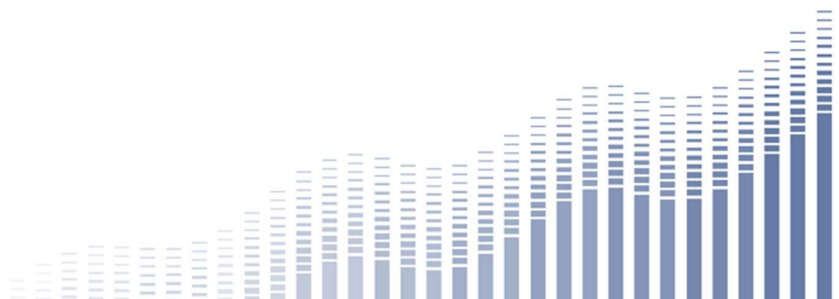
Business plan

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 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.

For the third quarter of 2024 (July 1 - September 30, 2024), the Company signed the contract with four hospitals to proceed Linear Accelerator, with an approximate total contract value of 935,000,000.00 baht. All projects are expected to be completed within 2025. As of September 30, 2024, the Company has a backlog valued at 935,000,000.00 baht.



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Financial statements

Consolidated financial statements as of September 30, 2024

Consolidated financial statements	September 30, 2024	September 30, 2023	Increase (Decrease)	
	Million baht	Million baht	Million baht	%
Total assets	1,618.96	1,661.38	(42.42)	(2.55%)
Total liabilities	747.69	831.91	(84.22)	(10.12%)
Total shareholders' equity	871.27	829.47	41.80	5.04%

The Company and its subsidiary had total assets, total liabilities and total shareholders' equity as of September 30, 2024, which similar to the same period last year.

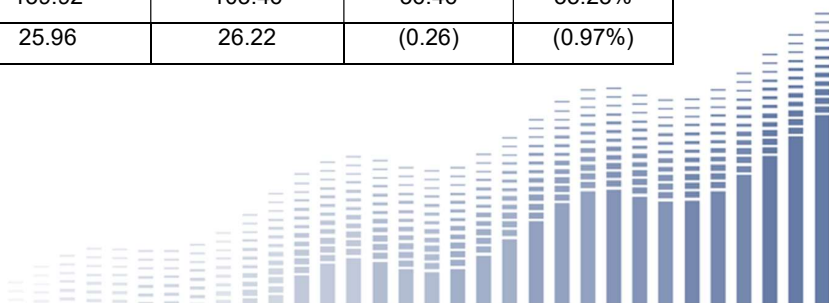
Key Financial Ratios	September 30, 2024	September 30, 2023
Return on equity (ROE)	28.32%	15.32%
Return on assets (ROA)	13.50%	7.24%
Liabilities to shareholders' equity ratio (DE)	0.86 times	1.00 times
Interest bearing debt to equity ratio	0.19 times	0.14 times

The Company and its subsidiary had an increase in return on equity (ROE) and return on assets (ROA) compared to the same period in the previous year, due to higher revenue from sales, which led to an increase in net profit.

The Company and its subsidiary had a debt-to-equity (DE) ratio of less than 1, both in terms of liabilities to shareholders' equity and interest-bearing debt to equity. Since the Company used its own working capital, its liabilities were lower than its shareholders' equity. The DE ratio was similar to that of the same period last year.

Statement of comprehensive income for the three-month period ended September 30, 2024

Statement of comprehensive income	Ended September 30, 2024	Ended September 30, 2023	Increase (Decrease)	
	Million baht	Million baht	Million baht	%
Revenue from sales of goods	508.03	292.30	215.73	73.80%
Revenue from rendering of services	139.92	103.46	36.46	35.23%
Revenue from hospital operations	25.96	26.22	(0.26)	(0.97%)



Statement of comprehensive income	Ended September 30, 2024	Ended September 30, 2023	Increase (Decrease)	
	Million baht	Million baht	Million baht	%
Income from business operation	673.91	421.98	251.93	59.70%
Gain on exchange rate	0.00	1.35	(1.35)	(100.00%)
Other income	1.49	0.61	0.88	144.52%
Total other income	1.49	1.96	(0.47)	(23.62%)
Total revenue	675.40	423.94	251.46	59.32%
Cost of sales of goods	384.12	242.04	142.08	58.70%
Cost of rendering of services	116.26	85.37	30.89	36.19%
Cost of hospital operations	19.47	19.21	0.26	1.38%
Gross profit	154.06	75.36	78.70	104.40%
Loss on exchange rate	23.57	0.00	23.57	100.00%
Selling and distribution expenses	7.93	4.17	3.76	90.15%
Administrative expenses	13.26	11.73	1.53	13.06%
Earnings before interest & tax	110.79	61.42	49.37	80.36%
Interest expenses	2.53	2.96	(0.43)	(14.55%)
Earnings before tax	108.26	58.46	49.80	85.17%
Tax expenses	21.27	11.80	9.47	80.27%
Net profit (Loss)	86.99	46.66	40.33	86.41%
Profit attributable to:				
Equity holders of the Company	86.97	46.54	40.43	86.88%
Non-controlling interest	0.02	0.12		

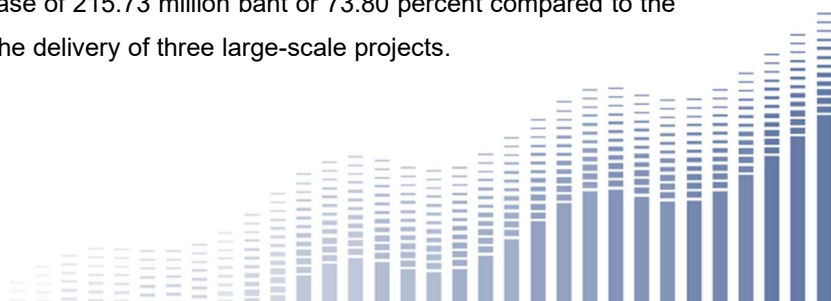
The consolidated financial statement of the Company and its subsidiary for the three-month period ended September 30, 2024, reported the revenue of 675.40 million baht and the net profit attributable to equity holder of the Company of 86.97 million baht, details as follows:

Revenue from business operation

For the three-month period ended September 30, 2024, the Company and its subsidiary had the revenues from sales, rendering of services, and hospital operations totaling 673.91 million baht which was increased by 251.93 million baht or 59.70 percent over the same period last year, details as follows:

1. Revenue from sales of goods

For the three-month period ended September 30, 2024, the Company and its subsidiary had the sales revenue of 508.03 million baht, an increase of 215.73 million baht or 73.80 percent compared to the same period last year. This was due to the delivery of three large-scale projects.



2. Revenue from rendering of services

For the three-month period ended September 30, 2024, the Company and its subsidiary had the rendering of services revenue of 139.92 million baht, an increase of 36.46 million baht or 35.23 percent compared to the same period last year. This increase was due to a higher number of maintenance service contracts compared to the same period last year.

3. Revenue from hospital operations

Revenue from hospital operations referred to the income generated by the Company's subsidiary (Cancer Alliance Company Limited) from operating a specialized hospital for cancer treatment. For the three-month period ended September 30, 2024, the subsidiary had revenue from hospital operations of 25.96 million baht. This was similar to the same period last year, which was 26.22 million baht.

Other revenue

For the three-month period ended September 30, 2024, the Company and its subsidiary had other revenue of 1.49 million baht, a decrease of 0.47 million baht or 23.62 percent compared to the same period last year. This decrease was due to a decline in gains from exchange rates.

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

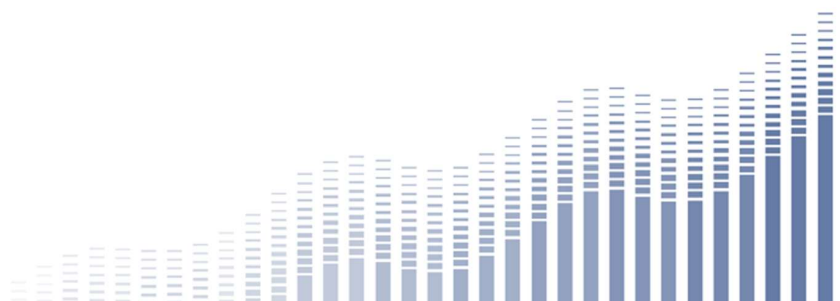
For the three-month period ended 30 September 2024, the Company and its subsidiary had a gross profit from sales of 123.91 million baht or equivalent to gross profit margin of 24.39 percent. This was higher than the gross profit margin from sales in the previous year, which was 17.19 percent. The increase in gross profit margin was due to improved cost management.

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

For the three-month period ended September 30, 2024, the Company and its subsidiary had a gross profit from rendering of services of 23.66 million baht, or equivalent to gross profit margin of 16.91 percent. This was similar to the same period last year, which was 17.49 percent.



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Cost of hospital operations and gross profit margin from hospital operations

For the three-month period ended September 30, 2024, the Company and its subsidiary had a gross profit from hospital operations of 6.49 million baht, which was equivalent to a gross profit margin of 25.00 percent. This was similar to the same period last year, which was 26.74 percent.

Selling and distribution expenses and administrative expenses

For the three-month period ended September 30, 2024, the Company and its subsidiary had the selling and distribution expenses of 7.93 million baht, an increase of 3.76 million baht or 90.15 percent compared to the previous year. This increase was due to the expenses in human resources and marketing.

For the three-month period ended September 30, 2024, the Company and its subsidiary had the loss on exchange rate of 23.57 million baht, an increase of 100.00 percent compared to the previous year. This was due to the adjustment in the mark-to-market value of the forward foreign exchange contract based on the exchange rate at the end of the period. The exchange rate specified in the forward foreign exchange contract remained lower than the cost projected in the Company's budget.

For the three-month period ended September 30, 2024, the Company and its subsidiary had the administrative expenses of 13.26 million baht. This was similar to the same period last year, which was 11.73 million baht.

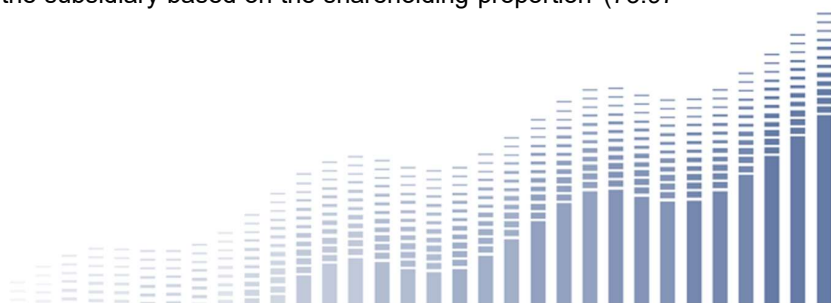
Finance cost

For the three-month period ended September 30, 2024, the Company and its subsidiary had a financial cost of 2.53 million baht. This was similar to the same period last year, which was 2.96 million baht.

Net profit and net profit margin

For the three-month period ended September 30, 2024, the Company and subsidiary had a net profit attributable to equity holder of the parent of 86.97 million baht. It increased by 40.43 million baht or 86.88 percent compared to the same period last year, which was 46.54 million baht. This was due to an increase in revenue from sales. Net profit margin was 12.88 percent compared to the same period last year, which was 10.98 percent.

For the three-month period ended September 30, 2024, the subsidiary had a net profit of 0.08 million baht. The Company recognized a gain from the subsidiary based on the shareholding proportion (73.97 percent).



Please be informed accordingly.

Yours Sincerely,



(Mr. Sompong Chunekitiyanone)

Chief Executive Officer



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