

Ref. BIZ001/2025

February 24, 2025

Subject: Management Discussion and Analysis for the Year Ended December 31, 2024

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

Business Alignment Public Company Limited (“the Company”) and its subsidiary would like to submit the Management Discussion and Analysis of the Company’s operation for the year ended December 31, 2024, with details as follows:

Business Overview

Over the past year, the world, including Thailand, continued to face various challenges. In Thailand, delays in government budget disbursements impacted the Company’s sales. Nevertheless, the Company managed to maintain its overall performance at a satisfactory level, achieving a total comprehensive profit attributable to the Company’s major shareholders of 224.19 million baht, representing a net profit margin of 13.06%.

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.

Corporate Governance

Although the Corporate Governance and Sustainability Committee has not yet been established, the Board of Directors is responsible for overseeing the Company’s operations in accordance with good corporate governance principles to ensure transparency and accountability in business practices. The Company recognizes the importance of sustainability in all dimensions, including economic, social, and environmental aspects. In 2024, there have been no cases of non-executive directors resigning due to corporate governance issues, nor any incidents that have negatively impacted the Company’s reputation due to failures in the Board’s oversight duties.



Financial statements

Consolidated financial statements as of December 31, 2024

Consolidated Financial Statements	December 31, 2024	December 31, 2023	Increase (Decrease)	
	Million baht	Million baht	Million baht	%
Total assets	1,624.54	1,477.54	147.00	9.95%
Total liabilities	677.13	575.30	101.83	17.70%
Total shareholders' equity	947.41	902.24	45.17	5.01%

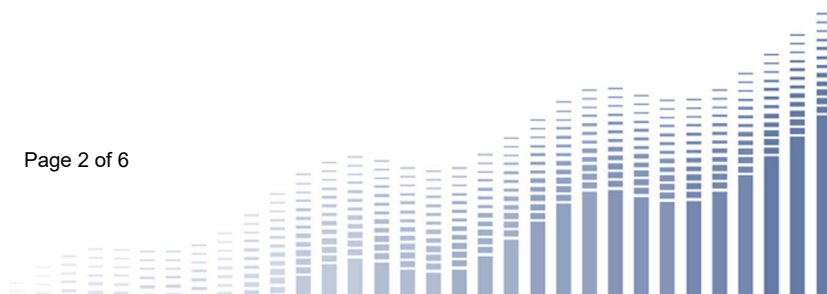
The Company and its subsidiary had total assets increase from trade receivables and inventories, total liabilities increase from long-term loans and total shareholders' equity increase from net profit.

Key Financial Ratios

Financial Ratios	December 31, 2024	December 31, 2023
Return on equity (ROE)	26.18%	25.36%
Return on assets (ROA)	14.45%	13.95%
Liabilities to shareholders' equity ratio (DE)	0.71 times	0.64 times
Interest bearing debt to equity ratio	0.17 times	0.12 times

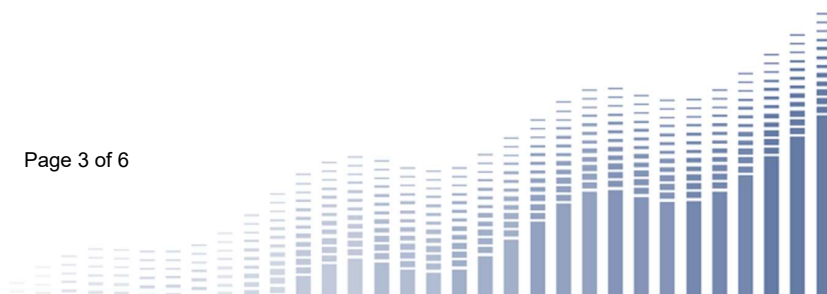
The Company and its subsidiary had an increase in return on equity (ROE) and return on assets (ROA) compared to the same period in the previous year.

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 Year Ended December 31, 2024

Statement of Comprehensive Income	Year Ended December 31, 2024	Year Ended December 31, 2023	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenue from Sales of Goods	1,049.21	1,148.65	(99.44)	(8.66%)
Revenue from Rendering of Services	545.41	437.29	108.12	24.72%
Revenue from Construction	13.40	0.00	13.40	100.00%
Revenue from Hospital Operations	106.16	103.03	3.13	3.05%
Total Revenue from Business Operation	1,714.18	1,688.97	25.21	1.49%
Gain on Exchange Rate	0.00	3.74	(3.74)	(100.00%)
Other Income	2.98	2.97	0.01	0.19%
Total Other Revenue	2.98	6.71	(3.73)	(55.58%)
Total Revenue	1,717.16	1,695.68	21.48	1.27%
Cost of Sales of Goods	800.12	911.60	(111.48)	(12.23%)
Cost of Rendering of Services	454.40	367.91	86.49	23.51%
Cost of Construction	9.73	0.00	9.73	100.00%
Cost of Hospital Operations	77.11	76.31	0.80	1.04%
Total Cost of Sales and Services	1,341.36	1,355.82	(14.46)	(1.07%)
Gross Profit	372.82	333.15	39.67	11.91%
Loss on exchange	3.66	0.00	3.66	100.00%
Distribution Costs	27.97	23.57	4.40	18.70%
Administrative Expenses	60.32	55.51	4.81	8.66%
Earnings Before Interest & Tax	283.85	260.78	23.07	8.85%
Finance income	7.88	2.72	5.16	189.95%
Finance cost	(11.87)	(11.78)	0.09	0.72%
Earnings Before Tax	279.86	251.72	28.14	11.18%
Tax Expenses	(54.80)	(50.19)	4.61	9.20%
Net Profit	225.06	201.53	23.53	11.68%
Profit Attributable to:				
Equity Holders of the Company	224.19	201.18	23.01	11.44%
Non-controlling Interest	0.87	0.35		



Revenue from Business Operation

For the year ended December 31, 2024, the Company and its subsidiary generated revenue from sales, services construction and hospital operations of 1,714.18 million baht, which increased by 25.21 million baht or 1.49 percent compared to the previous year, with details as follows:

1. Revenue from Sales of Goods

For the year ended December 31, 2024, the Company and its subsidiary had the sales revenue of 1,049.21 million baht, this was similar to the previous year, which was 1,148.65 million baht. In 2024 and 2023, the Company delivered six large-scale projects.

2. Revenue from Rendering of Services

For the year ended December 31, 2024, the Company and its subsidiary had the rendering of services revenue of 545.41 million baht, which increased by 108.12 million baht or 24.72 percent compared to the previous year, which was 437.29 million baht. This was due to an increase in the maintenance service contracts compared to the previous year.

3. Revenue from Construction

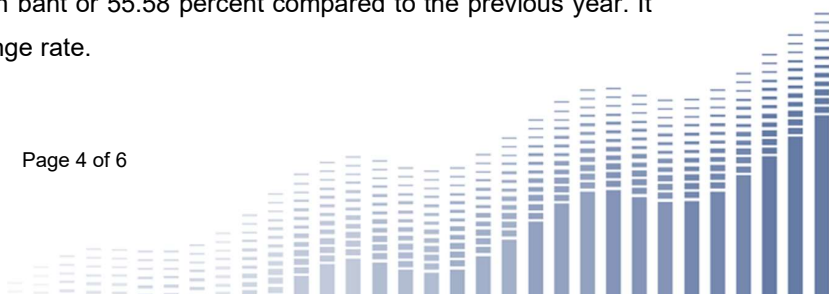
For the year ended December 31, 2024, the Company and its subsidiary recognized revenue of 13.40 million baht from the construction of a project building for the installation of a radiation machine. The Company recorded construction costs based on the percentage of completion. Therefore, as at December 31, 2024, the Company recognized revenue from 38.90% of the project.

4. 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 year ended December 31, 2024, the subsidiary had revenue from hospital operations of 106.16 million baht. This was similar to the same period last year, which was 103.03 million baht.

Other Revenue

For the year ended December 31, 2024, the Company and its subsidiary had other revenue of 2.98 million baht, which decreased by 3.73 million baht or 55.58 percent compared to the previous year. It was due to a decrease in the gain on exchange rate.



Cost of Sales of Goods and Gross Profit Margin from Sales of Goods

For the year ended December 31, 2024, the Company and its subsidiary had a gross profit from sales of 249.09 million baht or equivalent to gross profit margin of 23.74 percent. This was similar to the previous year, which was 20.64 percent.

Cost of Rendering of Services and Gross Profit Margin from Rendering of Services

For the year ended December 31, 2024, the Company and its subsidiary had a gross profit from services of 91.01 million baht or equivalent to gross profit margin of 16.69 percent. This was similar to the previous year, which was 15.87 percent.

Cost of Construction and Gross Profit Margin from Construction

For the year ended December 31, 2024, the Company and its subsidiary generated gross profit margin from construction of 3.67 million baht or equivalent to gross profit margin of 27.41% according to total construction budget.

Cost of Hospital Operations and Gross Profit from Hospital Operations

For the year ended December 31, 2024, the Company and its subsidiary had a gross profit from hospital operations of 29.05 million baht or equivalent to gross profit of 27.37 percent. This was similar to the previous year, which was 25.92 percent.

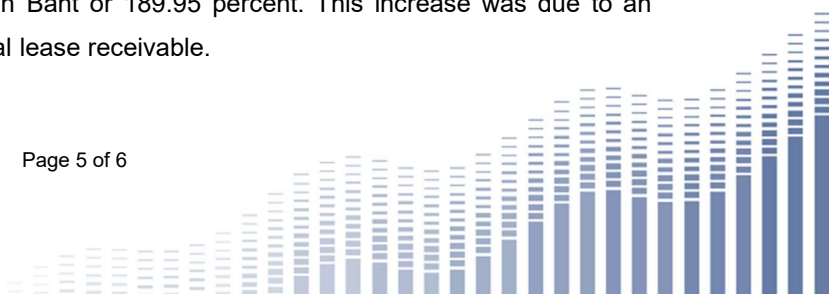
Distribution Costs and Administrative Expenses

For the year ended December 31, 2024, the Company and its subsidiary had a distribution cost of 27.97 million baht, which increased by 4.40 million baht or 18.70 percent compared to the previous year. This increase was mainly due to an increase in the human resources costs.

For the year ended December 31, 2024, the Company and its subsidiary had administrative expenses of 60.32 million baht. This was similar to the previous year, which was 55.51 million baht.

Finance income

For the year ended December 31, 2024, the Company and its subsidiary had financial income of 7.88 million baht, which increased by 5.16 million Baht or 189.95 percent. This increase was due to an increase in the financial income from financial lease receivable.



Finance Costs

For the year ended December 31, 2024, the Company and its subsidiary had financial costs of 11.87 million baht, this was similar to the previous year, which was 11.78 million baht.

Net Profit and Net Profit Margin

For the year ended December 31, 2024, the Company and subsidiary had a net profit attributable to equity holder of the Company of 224.19 million baht, which increased by 23.01 million baht or 11.44 percent, compared to the previous year which was 201.18 million baht. This was due to an increase in the revenue from services rendering. The Company had a net profit margin of 13.06 percent. This was similar to the previous year, which was 11.86 percent.

For the year ended December 31, 2024, the subsidiary had a total net profit of 3.27 million baht. The Company recognized a net profit from the subsidiary based on the shareholding proportion (73.97 percent).

Please be informed accordingly.

Yours Sincerely,



(Mr. Sompong Chunekitiyanone)
Chief Executive Officer

