

# B|A

Business Alignment



**2024 Form 56-1 One Report**  
Business Alignment Public Company Limited

# Contents

<b>002</b> Message from the Chairman	<b>058</b> Management Discussion and Analysis
<b>003</b> Message from the Chief Executive Officer	<b>076</b> Corporate Governance
<b>004</b> Board of Directors	<b>081</b> Corporate Governance Structure
<b>005</b> Management	<b>097</b> Report on Key Operating Results on Corporate Governance
<b>006</b> Financial Highlights	<b>114</b> Internal Control
<b>009</b> Policy and Business Overview	<b>117</b> Connected Transactions
<b>014</b> Revenue Structure	<b>121</b> Information of the Board of Directors, Management and Directors of the Subsidiary
<b>016</b> Product Information	<b>127</b> Report of the Audit Committee
<b>031</b> Shareholding Structure of the Company	<b>130</b> Report of the Nomination and Remuneration Committee
<b>034</b> Risk Management	<b>132</b> Board of Directors' Responsibility for the Company's Financial Statements
<b>041</b> General Information and Other Key Information	<b>133</b> Financial Statements
<b>042</b> Business Sustainability Development	
<b>052</b> Information from 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 the Chairman

Business Alignment Public Company Limited (“the Company”) operates a business specializing in the distribution and installation of medical equipment for cancer treatment through radiotherapy. The Company imports products from leading global manufacturers with expertise in cancer treatment equipment and technology. Additionally, maintenance services are provided for such medical equipment.



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%.

In its business operations, the Company emphasizes adaptability in an ever-changing world, particularly in an era where technology plays a critical role. The Company has integrated technology into its operations to enhance efficiency. Additionally, it recognizes the importance of sustainability across all dimensions-economic, social, and environmental-while adhering to the principles of good corporate governance. This ensures that the Company’s operations remain transparent and responsible. The Board of Directors oversees governance in accordance with these principles, even though the Corporate Governance and Sustainability Committee has not yet been established.

On this occasion, on behalf of the Board of Directors, I would like to extend my heartfelt gratitude to our shareholders for their trust in the Company’s operations, and to all our valued stakeholders for their continued support. I also wish to express my appreciation to the management team and every employee for their hard work and dedication, which have been key drivers of the Company’s success and steady progress. In the years ahead, the Company remains steadfast in its commitment to creating value and success for all stakeholders. Notably, 2025 marks the 25<sup>th</sup> anniversary of the Company, a significant milestone in our history as an organization committed to promoting sustainability and societal advancement. With the collaboration and support of all stakeholders, the Company is confident in its ability to grow and achieve both short and long-term goals in the future.

A handwritten signature in blue ink, appearing to be 'Woodtipong Moleechad'.

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

# Message

## from the Chief Executive Officer



Over the past year, the world, including Thailand, continued to face various challenges. In Thailand, delays in government budget disbursements inevitably impacted the sales performance of Business Alignment Public Company Limited (“the Company” or “BIZ”). Despite these challenges, the Company managed to maintain overall performance at a satisfactory level. In 2024, the Company reported total revenue of 1,717.16 million baht, comprising 1,049.21 million baht from sales, 545.41 million baht from services, 13.40 million baht from construction and 106.16 million baht from hospital operations. The comprehensive profit attributable to the Company’s major shareholders amounted to 224.19 million baht, reflecting a net profit margin of 13.06%.

The Company continues to focus on its strength as a “**Solution Provider**” in cancer treatment through radiotherapy, offering not only high-quality, state-of-the-art radiotherapy medical equipment but also comprehensive consulting services to hospitals. These services include designing radiotherapy buildings or treatment rooms, supervising construction projects, installing equipment, training hospital staff, and providing maintenance services to ensure hospitals can deliver high-quality care to cancer patients. A prime example of this commitment is the “Her Royal Highness Princess Maha Chakri Sirindhorn Proton Center at King Chulalongkorn Memorial Hospital”, where the Company oversaw construction and installed Thailand’s first and only proton therapy system, which is also the first in Southeast Asia. The center has been operational for approximately three years, providing advanced cancer treatment and underscoring the Company’s dedication to improving access to cutting-edge medical technology in the region.

“BIZ” is dedicated to becoming a central hub for advancing cancer treatment in collaboration with hospitals, doctors, and other medical professionals, particularly through radiotherapy, to enhance the quality of life for cancer patients and ensure access to treatment technologies on par with developed countries. The Company operates with a strong focus on governance, integrity, and transparency, while continuously developing the efficiency and capabilities of its personnel. It also maintains close and ongoing collaboration with manufacturers to ensure that its deliverables meet quality and standards that exceed customer expectations, achieving the highest level of satisfaction. The Company has instilled in its employees the policy of creating the best possible differentiation for customers, delivering work of a “**Beyond the Best**” quality standard. This approach forms the foundation for sustainable business growth in the future.

In conclusion, as the Chief Executive Officer, I firmly believe that the Company’s foundational strategies, combined with the collective efforts of the management team, employees, and all stakeholders-including shareholders, partners, customers, financial institutions, and all other involved parties who have consistently trusted and supported the Company-will drive the Company’s growth in alignment with its vision. I would like to express my heartfelt gratitude to all the stakeholders mentioned above and assure you that the Company will continue to operate with good governance, creating value and fostering sustainability, in line with the trust you have graciously placed in us.

A handwritten signature in blue ink, consisting of stylized, cursive letters that appear to read 'S. C.' followed by a flourish.

**Mr. Sompong Chunekitiyanone**  
Chief Executive Officer

# Board of Directors

as at December 31, 2024



**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 Chunekitiyanone**  
Director



**Mr. Voravid Silapusid**  
Director



**Mr. Noppadol Suntanaphanich**  
Director

# Management

as at December 31, 2024



**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

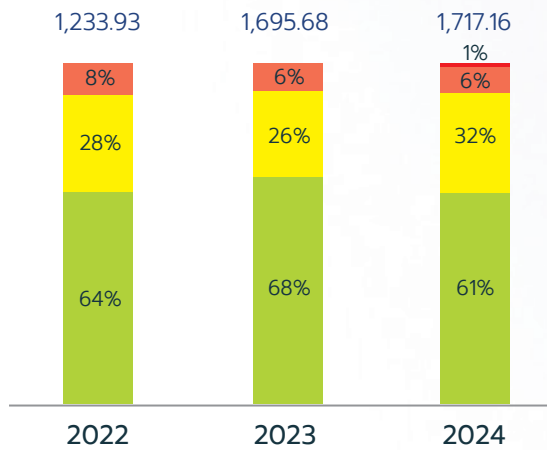
# Financial Highlights

(Unit : Million Baht)

	2022	2023	2024
Total Assets	1,406.30	1,477.54	1,624.54
Total Liabilities	585.67	575.30	677.13
Total Equity Attributable to Owners of the Company	752.77	834.05	878.31
Revenue from Sales and Services	1,225.58	1,688.97	1,714.18
Total Revenues	1,233.93	1,695.68	1,717.16
Gross Profit	251.76	333.15	372.82
Profit before Tax	166.72	251.72	279.86
Profit Attributable to Equity Holders of the Company	133.43	201.18	224.19
<b>Financial Ratio</b>			
Current Ratio (Time)	2.36	2.87	2.44
Gross Profit Margin (%)	20.54	19.73	21.75
Operating Profit Margin (%)	13.99	15.04	16.39
Net Profit Margin (%)	10.81	11.86	13.06
Return on Total Assets (%)	8.30	13.95	14.45
Return on Equity (%)	17.26	25.36	26.18
Debt to Equity Ratio (Time)	0.71	0.64	0.71
Earning per Share (Baht)	0.22	0.33	0.37
Book Value per Share	1.37	1.50	1.58
(Par Value Baht 0.50 per Share)			

### Total Revenue

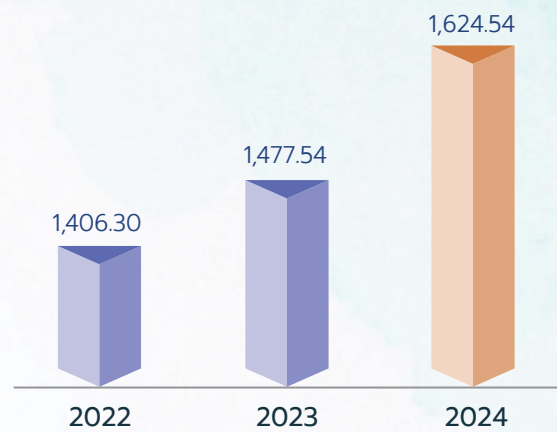
1,717.16 Million Baht



- Revenues from Sales
- Revenues from Services
- Revenues from Hospital
- Revenues from Construction

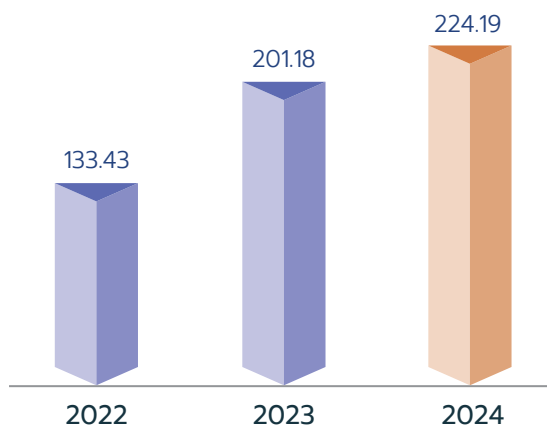
### Total Assets

1,624.54 Million Baht



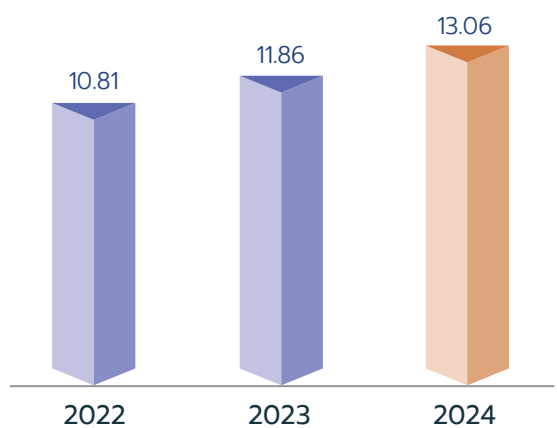
### Net profit attributable to equity holder of the Company

224.19 Million Baht



### Net Profit Margin

13.06%





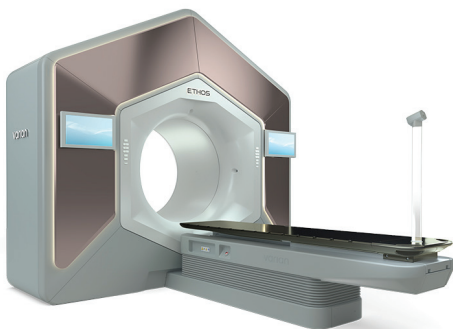
# Linear Accelerators (“LINAC”) and Other Products



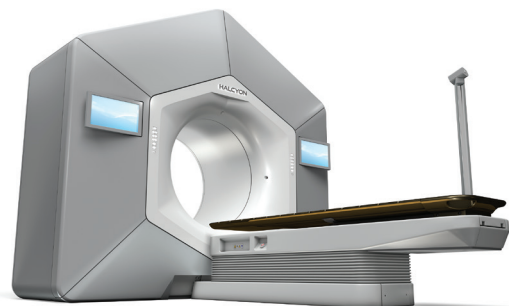
LINAC : True Beam



LINAC : Vital Beam



LINAC : ETHOS



LINAC : Halcyon



Brachytherapy Afterloader



Proton Therapy System

# Policy and Business Overview

## VISION

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 accessible and comparable to that of development countries.

## MISSION

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 revenue and profitability.

## CORE VALUE

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

# General Information



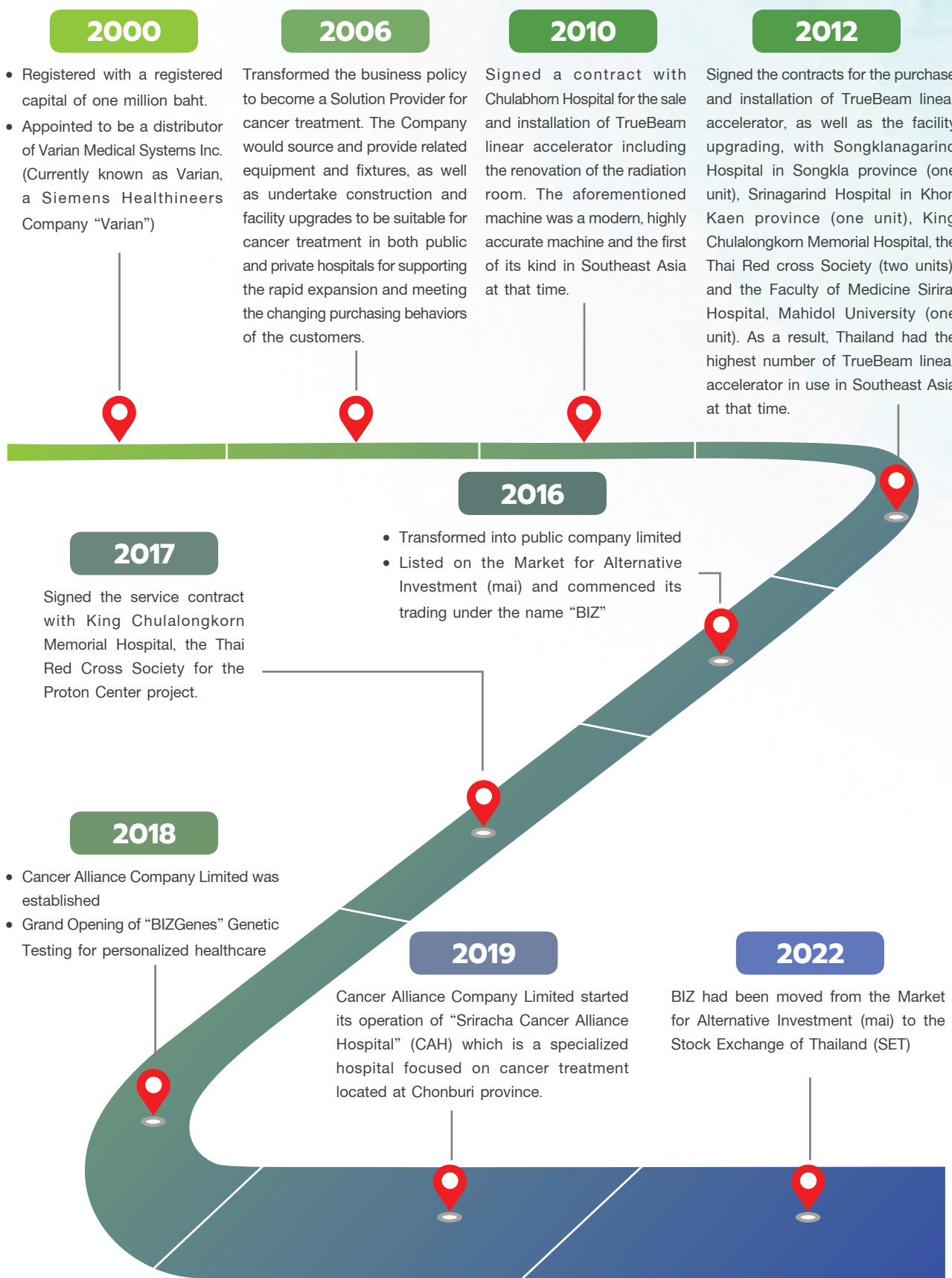
<b>Issuing company</b>	:	Business Alignment Public Company Limited
<b>Security symbol</b>	:	BIZ
<b>Registration number</b>	:	0107559000079
<b>Head Office</b>	:	No. 92/45, Sathorn Thani 2 Building, 16 <sup>th</sup> Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500 Thailand
<b>Telephone</b>	:	+66 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 Shares</b>	:	600,734,989 shares
<b>Par Value</b>	:	Baht 0.50

## Obligations Committed by the Company in the Registration Statement

-None-



# Milestones



# Awards

**2017**

“SMEs Excellence Awards 2017” : Silver Award, Trading category by TMA.

**2018**

The Outstanding Executive of the Year 2018 in Business Administration and Management, “Mr. Sompong Chunekitiyanone” by one million merit projects.

**2019**

“Special Recognition under Rising Star Awards 2018”, National Director Conference 2019 by Thai Institute of Directors

**2020**

- Certified for quality management system standards for the distributors of medical instruments and devices EN ISO13485: 2016 from TUV SUD Product Service GmbH, Germany
- Chosen to be in the “ESG Emerging List”

**2022**

- SET Awards 2022 by the Stock Exchange of Thailand
  1. Outstanding Company Performance Awards, Business Excellence, mai market capitalization of over 1.5 billion baht
  2. Outstanding CEO Awards, Business Excellence, “Mr. Sompong Chuenkitityanone”

# 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. It aims to make modern technology accessible and comparable to that of developed countries, 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 another 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 accessible and comparable to that of developed countries, It is estimated that another branch of the hospital will be opened in another region within five 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. It provides more effective healthcare planning.

In this regard, the aforementioned is an expansion of the Company's business. It is part of the 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.

Revenue Types	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenue	786.41	63.73	1,148.65	67.74	1,049.21	61.10
Service Revenue - Radiation Machine <sup>(1)</sup>	339.49	27.51	435.35	25.67	544.10	31.69
Service Revenue - Gene Screening Service <sup>(1)</sup>	1.54	0.13	1.94	0.11	1.31	0.08
Construction Revenue <sup>(2)</sup>	0.00	0.00	0.00	0.00	13.40	0.78
Hospital Operations Revenue <sup>(3)</sup>	98.14	7.95	103.03	6.08	106.16	6.18
<b>Total Revenue from Sales, Service and Construction</b>	<b>1,225.58</b>	<b>99.32</b>	<b>1,688.97</b>	<b>99.60</b>	<b>1,714.18</b>	<b>99.83</b>
Other Revenue <sup>(4)</sup>	8.35	0.68	6.71	0.40	2.98	0.17
<b>Total Revenue</b>	<b>1,233.93</b>	<b>100.00</b>	<b>1,695.68</b>	<b>100.00</b>	<b>1,717.16</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) gene screening service.
- <sup>(2)</sup> The building construction for the installation of the radiation machine which began in Q4/2024.
- <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> Profits gained from currency exchange, gain from adjustment of provisions and other income.

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

Customer Types	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Public Hospitals</b>	<b>933.09</b>	<b>76.14</b>	<b>1,158.41</b>	<b>68.59</b>	<b>1,081.43</b>	<b>63.09</b>
1.1 Medical School-Affiliated Hospitals <sup>(1)</sup>	587.37	47.93	397.68	23.55	616.27	35.95
1.2 Cancer Hospitals <sup>(2)</sup>	223.14	18.21	267.83	15.86	134.88	7.87
1.3 General Hospitals <sup>(3)</sup>	122.58	10.00	492.90	29.18	330.28	19.27
<b>2. Private Hospitals<sup>(4)</sup></b>	<b>110.34</b>	<b>9.00</b>	<b>22.37</b>	<b>1.32</b>	<b>333.75</b>	<b>19.47</b>
<b>3. Others<sup>(5)</sup></b>	<b>182.15</b>	<b>14.86</b>	<b>508.19</b>	<b>30.09</b>	<b>299.00</b>	<b>17.44</b>
<b>Total Sales, Service and Construction Revenue</b>	<b>1,225.58</b>	<b>100.00</b>	<b>1,688.97</b>	<b>100.00</b>	<b>1,714.18</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 as the 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

Revenue Types	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Teletherapy Projects and Brachytherapy Projects<sup>(1)</sup></b>	<b>695.09</b>	<b>88.39</b>	<b>1,116.33</b>	<b>97.18</b>	<b>947.35</b>	<b>90.29</b>
<b>2. Equipment and System<sup>(2)</sup></b>	<b>54.23</b>	<b>6.89</b>	<b>15.14</b>	<b>1.32</b>	<b>84.57</b>	<b>8.06</b>
<b>3. Others<sup>(3)</sup></b>	<b>37.09</b>	<b>4.72</b>	<b>17.19</b>	<b>1.50</b>	<b>17.29</b>	<b>1.65</b>
<b>Total Sales Revenue</b>	<b>786.41</b>	<b>100.00</b>	<b>1,148.66</b>	<b>100.00</b>	<b>1,049.21</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 medical equipment and software systems for cancer treatment. The Company has been entrusted as the exclusive distributor for over 25 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 Brachytherapy Afterloader. Varian's cutting-edge and advanced technologies are well-known in the medical radiation therapy field, both domestically and internationally.

- **Proton Therapy**

Product used for cancer treatment with remote proton radiation therapy are developed by IBA, Belgium. Protons are accelerated by a particle accelerator to nearly the speed of light. Proton radiation exhibits a unique characteristic called the Bragg peak, which allows for lower penetration through healthy tissue compared to X-rays. The penetration depth of proton radiation can be precisely controlled, ensuring it does not extend beyond the cancerous tissue. This enables effective energy transfer to destroy tumors or cancer cells while minimizing damage to surrounding healthy tissues or organs near the tumor site. Proton radiation delivers significantly less energy to nearby healthy tissues, reducing damage or destruction. Additionally, proton therapy machines allow precise adjustment of beam size and intensity, enabling highly accurate targeting of tumors. As a result, proton radiation therapy can precisely destroy tumors or cancer cells with maximum accuracy, while nearby healthy organs receive minimal or no radiation exposure. This ensures highly effective cancer treatment and significantly reduces 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, A Healthineers Company (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) etc. 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 genetic testing services focused on lifestyle aspects such as diet, exercise, and skincare, as well as assessing risks for common cancers, the Company has introduced a new service in partnership with a specialized genetics company from Slovenia. This partner operates a laboratory that meets internationally recognized quality standards and employs the most advanced testing technologies available today. The service emphasizes accurate analysis by specialized experts to ensure precise test results. The results are delivered via an application, enabling clients to use the findings to plan their lifestyles effectively and appropriately.

## 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 genetic testing services, the company, as a distributor, is responsible for promoting sales and providing information to target customer groups. These include direct customers, who are individuals or potential clients that inquire about and seek the services directly, as well as indirect customers, such as medical professionals and personnel in hospitals and leading anti-aging clinics. This enables genetic testing to be introduced and recommended to clients who may be interested.

#### 4. Promotion

The Company does not engage in public advertising, as its business requires specialized expertise, serves a niche customer base, and faces limited competition. Over the years, the Company has gained recognition and trust from medical professionals in the field of radiotherapy treatment, particularly for the quality of its products and after-sales services. As a result, there has been little necessity for extensive public relations efforts. 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 personalized health planning through genetic testing services, the Company focuses on marketing and public relations by emphasizing information dissemination and service promotion through specialized medical professionals and experts in this field. This approach aims to build credibility among service users. Additionally, the Company promotes its services through various media channels, including online platforms such as the Company's website, the product's Facebook page, and printed materials that target audiences find engaging.

## 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, Phramongkutkloa Hospital, Roi-ed Hospital, Maharat Nakornratchasima Hospital, Hatyai Hospital, Samut Sakhon Hospital, and Phrapokkloa 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, Thai Nakin Hospital, Piyavate Hospital and Kasemrad Ari etc.

The primary target customers for genetic testing services aimed at personalized health planning are mainly private hospitals, such as Samitivej Sukhumvit Hospital, Samitivej Srinakarin Hospital, and Phyathai 1 Hospital, as well as various anti-aging clinics. Currently, the services are primarily offered to hospitals and clinics in Bangkok Metropolitan Region. However, there are future plans to expand into other regions and to distribute the services through various online channels.

## 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	17
<b>Total</b>	<b>84</b>	<b>36</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	18
<b>Total</b>	<b>29</b>	<b>24</b>
<b>Total Public and Private Hospitals</b>	<b>113</b>	<b>60</b>

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.

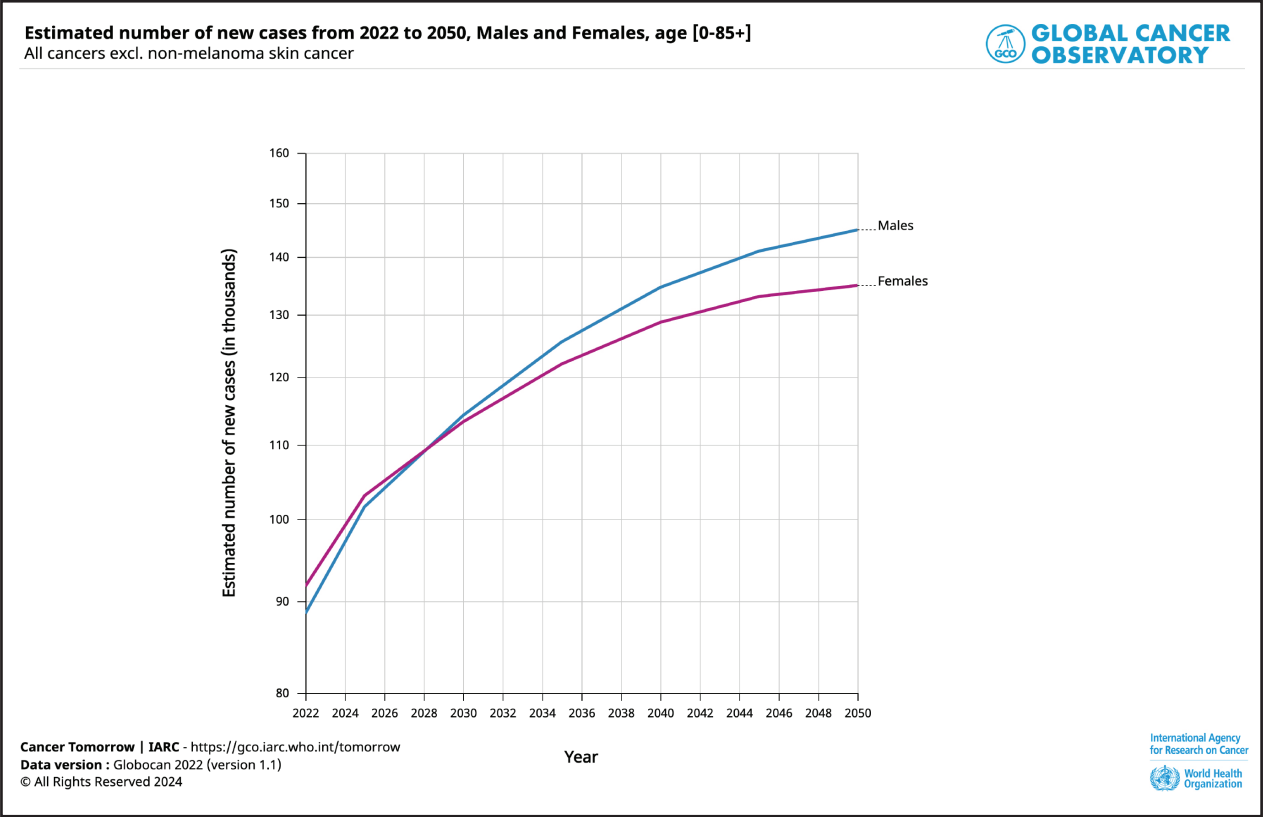
### 2. Cancer Patients

Cancer is one of the most prevalent diseases today and a leading cause of death worldwide, accounting for approximately 15% of all deaths. According to the World Health Organization (WHO), in 2022, there were 20 million new cancer cases and 9.97 million cancer-related deaths. The five most common types of cancer globally are breast cancer, prostate cancer, lung cancer, colorectal cancer, and uterine cancer. Among these, lung cancer caused 1.8 million deaths (17%), while breast cancer accounted for 666,103 deaths (12.7%).

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 cancer incidence estimates in Thailand by WHO, the incidence of cancer in the country is on the rise. In 2022, there were 180,337 new cancer cases, comprising 88,596 males and 91,741 females. Furthermore, projections indicate that by 2030, there will be 227 cases per 100,000 people, increasing to 263 cases per 100,000 people by 2040 and 280 cases per 100,000 people by 2050.



### 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 53 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.**

Number of Linac Accelerators (Present)	Requirement
135 LINACs	53 LINACs

**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, A Siemens Healthineers Company 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	70	51.85
2	LINAC Elekta	50	37.00
3	Other Accelerators and/or Old Technology	15	11.15

## 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 the products of Varian, A Siemens Healthnieers Company 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 Varian, A Siemens Healthnieers Company 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, A Siemens Healthineers Company, 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 Administrative 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. After being informed of the selection results or receiving confirmation through one of the aforementioned methods, the Company will coordinate with the manufacturers to prepare for product procurement in accordance with the project details. This includes preparing documentation to apply for credit facilities from banks, relevant documents for signing sales agreements with government agencies, and all necessary documents for importing the products into Thailand.
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, 2024.

(Unit : million Baht)

Asset Types	Asset Description	Ownership	Contingencies	Net Value	Usage
1. Equipment	Small medical equipment	Company owned	-No-	0.06	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-	0.82	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, North Sathorn Rd., Silom, Bangrak, Bangkok	Company owned	-No-	0.79	To use within the office
4. Business office	92/32 14 <sup>th</sup> Floor, Sathorn Thani 2 Building	Company owned	-No-	15.51	To use within the office
<b>Total</b>				<b>17.18</b>	

### Intangible Assets

As of December 31, 2024, the Company's intangible assets include computer programs which net value is 2.15 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 five undelivered projects, with a total value exceeding 5% of the total revenue according to the consolidated financial statements for the fiscal year 2024, totaling 1,278.50 million baht. All projects are expected to be completed within 2025.

No.	Project	Project Value (Million Baht)	Expected Delivery Date
1	Distribution and Installation of Radiation Therapy Machine (1)	270.00	Within 2025
2	Distribution and Installation of Radiation Therapy Machine (2)	250.00	Within 2025
3	Distribution and Installation of Radiation Therapy Machine (3)	250.00	Within 2025
4	Distribution and Installation of Radiation Therapy Machine (4)	249.50	Within 2025
5	Distribution and Installation of Radiation Therapy Machine (5)	259.00	Within 2025
<b>Total</b>		<b>1,278.50</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, 2024

Business Alignment Public PCL.

73.97%

Cancer Alliance Co., Ltd.

Subsidiaries and Related Companies in which the Company has Shareholding Exceeding 10 Percent

Company	Type of Business	Registered Capital	Par Value	Paid-Up Capital	Shareholding Proportion (Direct & Indirect) (%)
Cancer Alliance Company Limited (CAH) No. 529 Moo 3 Nongkham, Sriracha, Chonburi 20230, Thailand Telephone +66 33 046 333	Hospital Business (Specialised in Cancer Treatment)	350,000,000.00 Baht	100.00 Baht	350,000,000.00 Baht	73.97

## Parties with Conflict of Interest

-None-



## Shareholders

Major Shareholders as at December 30, 2024

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	64,053,600	64,053,600	10.66%
4	Mr. Noppadol Suntanaphanich	36,000,000	36,000,000	5.99%
5	Mr. Kittipong Phatarachaikul	11,315,100	11,315,100	1.88%
6	Mrs. Sarin Chinudomsap	7,500,000	7,500,000	1.25%
7	Mr. Kittisak Chinudomsap	7,009,650	7,009,650	1.17%
8	Thai NVDR Company Limited	6,707,640	6,707,640	1.12%
9	Mr. Chanon Chinudomsap	3,000,000	3,000,000	0.50%
10	Mr. Prajak Tovatanasatid	2,113,850	2,113,850	0.35%
	Other Minority Shareholders	84,348,149	84,348,149	14.04%
	<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 has not established a dividend payment policy due to the loan repayment for hospital operations.

### Dividend Payment

	2021/2022	2022/2023	2023/2024
Dividend per Share (Baht per Share)	0.92777777750	0.20	0.30
Dividend Payout Ratio (%)	88.01	92.31	92.16

\* Year of Performance/Year of Dividend Payment

# Risk Management

The Board of Directors places great importance on maintaining an effective internal control system and risk management framework to achieve objectives efficiently while ensuring compliance with relevant laws and standards. Additionally, the Risk Management and Compliance Sub-committee has been established, comprising executives and managers at the supervisory level and above, operating under the supervision of the Executive Committee. Policies have also been established to serve as guidelines for implementation as follows:

## Risk Management Policy

1. Risk management must encompass the entire company to support business operations in achieving their objectives and aligning with the company's strategies.
2. Encourage and promote an understanding and emphasis on identifying and controlling risks across all departments and management levels to ensure that risk management approaches are aligned.
3. Establish the creation of a risk management manual and risk management plan to serve as an operational framework and guideline for the Company.
4. Ensure appropriate and regular monitoring, review, and evaluation of risk management practices.
5. Foster the integration of risk management as a core part of the corporate culture.

The Company has disseminated its risk management policy and manual through internal communication channels to raise employees' awareness of the importance of risk management.

## Risk Management and Compliance Sub-Committee

The Risk Management and Compliance Sub-Committee comprises of eight 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
7.	Ms. Pucharat Sakthumjaroen	Risk Management Sub-Committee
8.	Mr. Puvid Silapusid	Risk Management Sub-Committee

The Board of Directors' Meeting No. 6/2024 held on November 11, 2024, resolved the enlargement of the scope of duties and responsibilities of the Risk Management Sub-Committee to cover the compliance and changed the name from the Risk Management Sub-Committee to "Risk Management and Compliance Sub-Committee." In 2024, the Risk Management and Compliance Sub-Committee regularly convened meetings to review key risks, risk management methods, and compliance while providing recommendations for improving management measures to enhance the effectiveness of risk management and compliance.

## 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, 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 does not 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 in 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 does not 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 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 area, which might not be worthwhile when compared to the sales ratio in Thailand. As a result, appointing a distributor who is familiar with the area, 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, fast 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, the Responsibility for Unsafe Products Act B.E. 2551 by the Office of the Consumer Protection Board, and the Announcement on Criteria and Processes for accounting, showing the P&L of the projects in agreement with government agencies B.E. 2554, set forth by the Office of the National Anti-Corruption Commission 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 Committee Chairman, and Chief Executive Officer, and Mr. Voravid Silapusid, Director, Executive Committee Member, 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 persons responsible for setting the Company's main policy. Other details are determined by members of the Management team.



## **Financial Risk**

- **Fluctuation in the Foreign Exchange Rate**

The Company imports medical equipment from various countries such as the USA, Germany, England, and Sweden, in relatively large proportions and with payment conditions in foreign currencies. Consequently, the Company faces risks associated with fluctuation 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 fluctuation. 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 have 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 (“TSD”)

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, 33<sup>rd</sup> 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

## Sustainability Management Policy and Goals

### Sustainability Policy

The Company has a policy to conduct its business in a sustainable and resilient manner, aiming to create opportunities for business growth that is 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.

### Sustainability Development Strategy

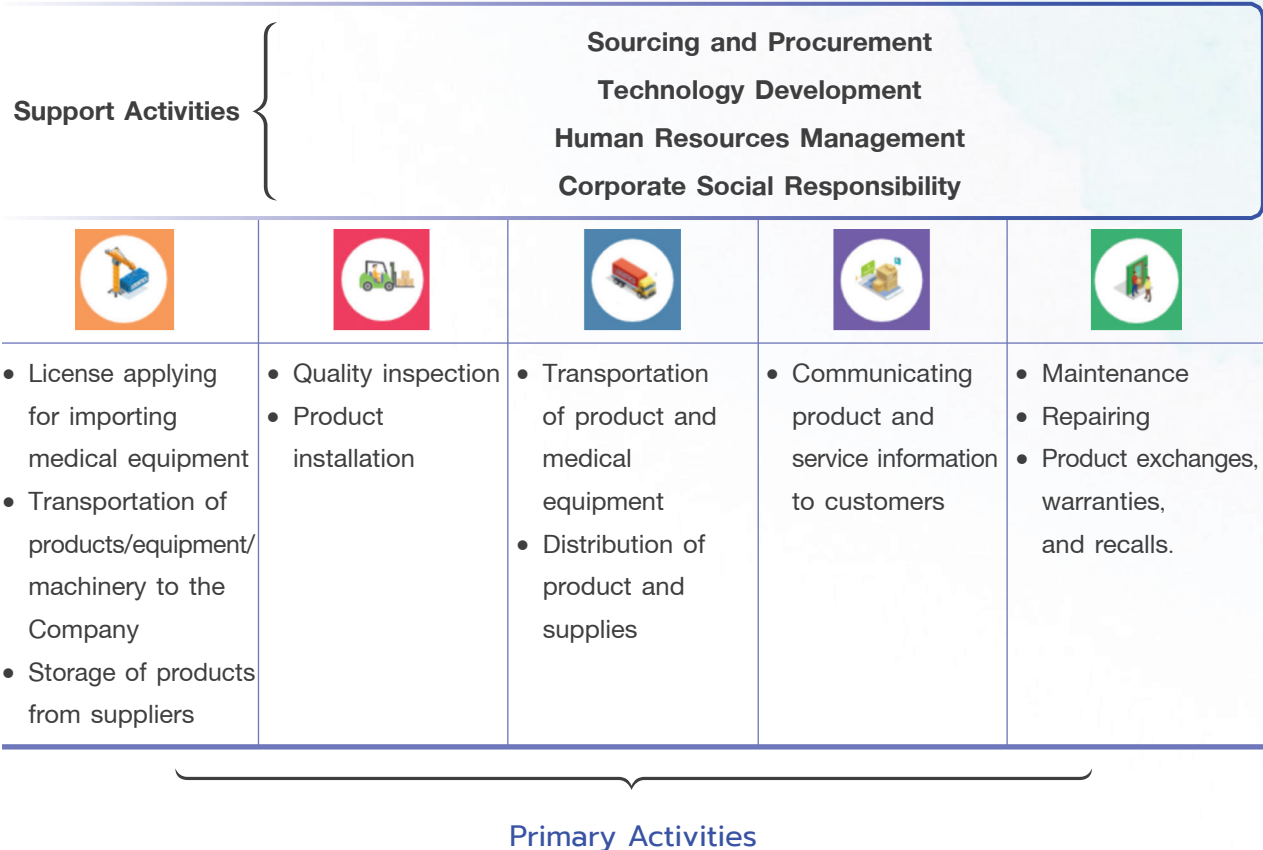
The sustainability development strategies are established as a framework to guide the Company toward sustainable business growth. These strategies are formulated with consideration of business policies, good corporate governance principles, and risk management plans. The objective is to create shared value across economic, social, and environmental dimensions. 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 products and services
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>• Engagement in activities with customers and hospitals, especially for 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 enable patients to access advance and modern technologies</li> </ul>

Stakeholders	Channel	Expectation	Key Operations
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 and 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>
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 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>

Stakeholders	Channel	Expectation	Key Operations
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 suppliers.</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>• Engaging 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>

## Key Sustainability Issues

Key Sustainability Issues	Details	Overall Operation in 2024
<b>Corporate Governance and Economy</b>		
Good Corporate Governance	<ul style="list-style-type: none"> <li>Corporate governance policy</li> </ul>	<ul style="list-style-type: none"> <li>Review annually</li> <li>Received a “Good” rating in CGR.</li> </ul>
Anti-fraud and Corrrption	<ul style="list-style-type: none"> <li>Anti-fraud and corrrption</li> <li>Business ethnics</li> <li>Preventing the insider trading and the conflicts of interest</li> </ul>	<ul style="list-style-type: none"> <li>Review the policy annually</li> <li>No violations related to business ethics, and no legal offenses occurred.</li> </ul>
Quality of Products and Service	<ul style="list-style-type: none"> <li>Quality management</li> </ul>	<ul style="list-style-type: none"> <li>Certified with ISO 13485, the medical devices quality management systems</li> </ul>
Responsibility to Customers	<ul style="list-style-type: none"> <li>Treating customers with transparency, fairness, and verifiability</li> </ul>	<ul style="list-style-type: none"> <li>The customer satisfaction level stands at 93.61%, exceeding the target set at no less than 80%.</li> </ul>
<b>Society</b>		
Human Rights	<ul style="list-style-type: none"> <li>Human rights principles and fair treatment of the employees</li> <li>Treat the employees equally and fairly.</li> </ul>	<ul style="list-style-type: none"> <li>No complaints regarding human rights violations.</li> </ul>
Employee Care and Potential Development.	<ul style="list-style-type: none"> <li>Development of the employees</li> </ul>	<ul style="list-style-type: none"> <li>The average training hours per employee is 10 hours, which meeting the Company’s target of 10 hours per year.</li> </ul>
Employees’ Health and Safety	<ul style="list-style-type: none"> <li>Safety trainings</li> </ul>	<ul style="list-style-type: none"> <li>No work-related injuries resulting in lost workdays.</li> </ul>
<b>Environment</b>		
Resource Management	<ul style="list-style-type: none"> <li>Resource management (electricity and water)</li> </ul>	<ul style="list-style-type: none"> <li>Promote resource conservation.</li> </ul>

## Managing Sustainability in the Corporate Governance and Economy

### Customers

- The Company prioritizes treating customers with transparency, fairness, and accountability. It is committed to providing quality, standardized, safe, convenient, and timely services that meet customer needs responsibly.
- As an importer, distributor, and installer of medical devices for cancer treatment using radiotherapy, the Company may not develop products directly. However, it ensures the delivery of high-quality

medical equipment, certified under ISO 13485, a standard for Medical Devices Quality Management Systems. Recognizing that patients directly use its products, the Company is dedicated to enabling access to advanced technology to improve treatment outcomes and quality of life.

- The Company conducts meetings and delivers presentations via slides to ensure customers receive accurate and sufficient information and guidance about products and services.
- The Company emphasizes understanding and meeting customer needs as agreed upon. It fosters strong relationships and mutual growth by maintaining close customer engagement and providing equal assistance. The ultimate goal is to achieve the highest level of customer satisfaction.
- The Company values customer confidentiality by implementing a data protection policy in compliance with the Personal Data Protection Act (PDPA). It provides channels for filing complaints regarding personal data. In the past year, there have been no complaints regarding the Company’s handling of customer personal data.

## Sustainability Management in Social Dimension

Topics	2022	2023	2024
Accidental Rate (person)	0	0	0
Employee Turnover Rate (%)	17.24	13.79	25.81

### Employees

Employees are the most valuable resource and the key factor in driving business operations to create value and returns for the Company. The Company is committed to serious and effective human resource management by adhering to labor laws, relevant regulations, and human rights principles to ensure fairness, equality, and inclusivity for all employees. Key practices include:

- Employees are treated equally and fairly across all employment processes, including recruitment, remuneration, working hours, leave, task assignments, performance evaluations, training, career advancement planning, and termination. The Company actively prevents unfair practices at all levels.
- Employees are provided with fair and appropriate benefits, such as salaries, allowances, overtime pay, bonuses, and other benefits, including medical expenses, annual health check-ups, and provident fund etc. Employees are also entitled to various leave options, such as annual leave, maternity leave, and sterilization leave etc. Additionally, the Company organizes labor relation activities, such as annual trips.
- The Company promotes regular and continuous training programs to enhance employees’ skills, enabling the organization to achieve its vision and mission. 2024 Training programs include a variety of essential skills, such as basic fire prevention and annual fire evacuation training, energy conservation, academic seminar on genomics and precision medicine (Department of Medical Services), and financial statement analysis etc.
- The Company prioritizes workplace safety and health by ensuring a safe and comfortable working environment. Regular monitoring, inspection, and evaluation of workplace conditions are conducted to maintain safety standards.



- Employees are encouraged to provide feedback and suggestions freely through designated channels, ensuring their voices are heard and considered in decision-making processes.

### **Non-Violation of Human Rights**

The Company recognizes the importance of respecting human dignity, rights, freedoms, and equality. It has established a policy to avoid any actions that violate human rights or relevant laws. The policy covers the following aspects:

- All stakeholders are treated equally, without discrimination based on physical or mental condition, race, nationality, religion, gender, language, age, skin color, education, social status, or any other differences.
- The Company takes care to avoid actions that could violate human rights and exercises caution in its operations to mitigate risks related to business activities.
- Employees must not ignore or neglect any potential human rights violations. Such incidents must be reported to supervisors or responsible personnel, and employees must cooperate in investigating the facts. Any questions or concerns can be discussed with supervisors or through designated channels.
- The Company ensures fairness and protection for persons who report human rights violations. Mechanism is in place to protect whistleblowers and involved parties under the Company's whistleblowing policy.
- Employees and stakeholders are encouraged to express their opinions and suggestions freely through the Company's established channels.
- The Company prioritizes collaborating with business partners who respect human rights and avoid violations.
- All employees and stakeholders must adhere strictly to the Company's policies and guidelines.

In 2024, there were no reported cases or incidents involving human rights violations in the Company's business operations.

The Company also provides opportunities for employees and stakeholders to communicate directly with the company regarding any concerns related to business ethics, complaints, or suggestions. Employees and stakeholders can raise inquiries, file complaints, provide feedback, or report potential misconduct through the following channels, which include direct communication with the independent directors or the company secretary.

1. Postal Mail:

Independent Directors and Audit Committee Chairman (Complaint and Suggestion)

Business Alignment Public Company Limited

92/45 Sathorn Thani Building 2, 16<sup>th</sup> Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500

2. E-Mail

biz-cg@bizalignment.com

## Collaborating with Community and Society

The Company recognizes the importance of improving the well-being of patients and quality of life through its business of distributing and installing medical equipment for cancer treatment using radiotherapy. The Company's key strategy is the supporting of education and awareness about cancer. By providing knowledge and understanding of cancer to patients and their families, the Company empowers them to better understand the disease and its treatment methods. This initiative has contributed to increased survival rates and improved quality of life for cancer patients in Thailand.

### 2024 Activities

- 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."

- 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 therapy technology.

- Donation of Medical Equipment

The Company donated two High Flow Humidification devices, along with accompanying accessories, valued at 445,800 baht, to King Narai Hospital in Lopburi.



The aforementioned projects aimed to enhance the knowledge and understanding of cancer treatment and radiotherapy among patients, their families, and stakeholders. Additionally, the donation of medical equipment was intended to assist patients in overcoming critical conditions and accelerating their recovery process.

## Sustainability Management in Environmental Dimension

Although the Company's operations do not directly impact the environment, it has established an environment policy emphasizing the importance of environmental preservation, natural resource conservation, and energy efficiency. The policy includes measures to control and reduce energy

consumption and actively promotes environmental conservation. The Company also fosters environmental responsibility among employees by providing education and raising awareness through communication and campaigns. This approach encourages employees to engage in basic environmental management practices, ensuring their active participation in environmental stewardship.

### Energy Management

Topics	2022	2023	2024
Electricity Consumption (Unit)	59,258	61,293	65,329
Water Consumption (Unit)	5,704	5,547	5,454

Remarks : The Company's office is located in a building under the managed by a jurisdictional. In addition to regular water usage, it also includes the consumption of hot water for air conditioning systems.

In 2024, the Company set a target to reduce electricity and water consumption by no less than 2% compared to 2023 but fell short of this goal. 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 inside and outside the organization.

### **Greenhouse Gas Management**

At the 29<sup>th</sup> Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29), Thailand expressed its commitment to advancing its National Greenhouse Gas Reduction Action Plan. The goal is to achieve the country's Nationally Determined Contributions (NDCs) by reducing greenhouse gas emissions by the year 2030.

### **Greenhouse Gas Management Measures**

The Company prioritizes efforts to address greenhouse gas emissions by initiating various activities aimed at reducing emissions from business operations. Key measures include integrating technology to minimize resource usage and promoting resource and energy conservation within the organization. The initiatives are 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.
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 regarding the value of energy and resource conservation.

# Information from Financial Statements

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.

The 2024 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, 2022		December 31, 2023		December 31, 2024	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
Cash and cash equivalents	233.71	16.62	624.45	42.26	397.14	24.45
Trade and other receivables	231.38	16.45	190.13	12.87	346.87	21.35
Current portion of financial lease receivable	0.00	0.00	0.00	0.00	7.83	0.48
Inventories	316.08	22.48	84.12	5.69	206.48	12.71
Other current financial assets	31.59	2.25	38.04	2.58	17.55	1.08
Other current assets	143.86	10.22	100.73	6.82	90.95	5.60
<b>Total current assets</b>	<b>956.62</b>	<b>68.02</b>	<b>1,037.47</b>	<b>70.22</b>	<b>1,066.82</b>	<b>65.67</b>
Restricted bank deposits	79.94	5.68	80.79	5.47	116.05	7.14
Financial lease receivable - net of current portion	0.00	0.00	0.00	0.00	91.84	5.65
Property, plant and equipment - net	349.49	24.85	338.24	22.89	328.92	20.25
Rights of use assets	3.33	0.24	1.63	0.11	0.00	0.00
Intangible assets	1.01	0.07	2.19	0.15	2.22	0.14
Deferred tax Assets	14.58	1.05	15.88	1.07	17.76	1.09
Other non-current assets	1.33	0.09	1.34	0.09	0.93	0.06
<b>Total non-current assets</b>	<b>449.68</b>	<b>31.98</b>	<b>440.07</b>	<b>29.78</b>	<b>557.72</b>	<b>34.33</b>
<b>Total assets</b>	<b>1,406.30</b>	<b>100.00</b>	<b>1,477.54</b>	<b>100.00</b>	<b>1,624.54</b>	<b>100.00</b>

**Consolidated Statement as of**

	December 31, 2022		December 31, 2023		December 31, 2024	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Liabilities and shareholders' equity</b>						
Short-term borrowings from financial institutions	91.49	6.51	0.00	0.00	0.00	0.00
Trade and other payables	239.15	17.00	305.57	20.68	346.98	21.36
Current portion of long-term borrowings	32.70	2.33	13.88	0.94	24.29	1.50
Current portion of the lease liabilities	1.82	0.13	1.86	0.13	0.00	0.00
Income tax payable	18.95	1.35	25.18	1.70	40.55	2.50
Other current provisions	11.26	0.80	11.05	0.75	12.96	0.80
Other current financial liabilities	9.83	0.70	3.35	0.23	12.00	0.73
<b>Total current liabilities</b>	<b>405.20</b>	<b>28.82</b>	<b>360.89</b>	<b>24.43</b>	<b>436.78</b>	<b>26.89</b>
Non-current trade and other payables	70.71	5.03	102.27	6.92	89.45	5.51
Long-term borrowings	94.81	6.74	96.07	6.50	134.31	8.27
Lease liabilities	1.83	0.13	0.00	0.00	0.00	0.00
Provisions for employee benefits	9.83	0.70	11.17	0.76	12.61	0.77
Other non-current provisions	3.29	0.23	4.90	0.33	3.98	0.24
<b>Total non-current liabilities</b>	<b>180.47</b>	<b>12.83</b>	<b>214.41</b>	<b>14.51</b>	<b>240.35</b>	<b>14.79</b>
<b>Total liabilities</b>	<b>585.67</b>	<b>41.65</b>	<b>575.30</b>	<b>38.94</b>	<b>677.13</b>	<b>41.68</b>
<b>Shareholders' equity</b>						
Issued and paid-up share capital	300.37	21.36	300.37	20.33	300.37	18.49
Share premium on ordinary shares	225.54	16.04	225.54	15.26	225.54	13.88
Deficit on changes in percentage of shareholding in subsidiary	(7.74)	(0.55)	(7.74)	(0.52)	(7.74)	(0.47)
Retained earnings						
Legal reserve	28.85	2.05	33.00	2.23	33.00	2.03
Unappropriated	205.75	14.63	282.88	19.15	327.14	20.14
<b>Equity attributable to owners of the parent</b>	<b>752.77</b>	<b>53.53</b>	<b>834.05</b>	<b>56.45</b>	<b>878.31</b>	<b>54.07</b>
Non-controlling interests	67.86	4.82	68.19	4.61	69.10	4.25
<b>Total shareholders' equity</b>	<b>820.63</b>	<b>58.35</b>	<b>902.24</b>	<b>61.06</b>	<b>947.41</b>	<b>58.32</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,406.30</b>	<b>100.00</b>	<b>1,477.54</b>	<b>100.00</b>	<b>1,624.54</b>	<b>100.00</b>

## Statement of Comprehensive Income

### Consolidated Statement as of

	December 31, 2022		December 31, 2023		December 31, 2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales of goods	786.41	63.73	1,148.65	67.74	1,049.21	61.10
Revenue from rendering of services	341.03	27.64	437.29	25.79	545.41	31.77
Revenue from construction	0.00	0.00	0.00	0.00	13.40	0.78
Revenue from hospital operations	98.14	7.95	103.03	6.07	106.16	6.18
Other income	8.35	0.68	6.71	0.40	2.98	0.17
<b>Total revenues</b>	<b>1,233.93</b>	<b>100.00</b>	<b>1,695.68</b>	<b>100.00</b>	<b>1,717.16</b>	<b>100.00</b>
Cost of sales of goods	622.36	50.44	911.60	53.76	800.12	46.60
Cost of rendering of services	278.37	22.56	367.91	21.70	454.40	26.46
Cost of construction	0.00	0.00	0.00	0.00	9.72	0.57
Cost of hospital operations	73.09	5.92	76.31	4.50	77.11	4.49
<b>Gross profit</b>	<b>251.76</b>	<b>20.54</b>	<b>333.15</b>	<b>19.73</b>	<b>372.82</b>	<b>21.75</b>
<b>(excluding other income)</b>						
Loss on exchange	0.00	0.00	0.00	0.00	3.66	0.21
Distribution costs	21.09	1.71	23.57	1.39	27.97	1.63
Administrative expenses	59.22	4.80	55.51	3.27	60.32	3.51
<b>Total expenses</b>	<b>1,054.13</b>	<b>85.43</b>	<b>1,434.90</b>	<b>84.62</b>	<b>1,433.31</b>	<b>83.47</b>
<b>Profit before financial costs and income tax</b>	<b>179.80</b>	<b>14.57</b>	<b>260.78</b>	<b>15.38</b>	<b>283.85</b>	<b>16.53</b>
Finance income	1.26	0.10	2.72	0.16	7.88	0.46
Financial costs	14.34	1.16	11.78	0.69	11.87	0.69
<b>Profit before income tax</b>	<b>166.72</b>	<b>13.51</b>	<b>251.72</b>	<b>14.85</b>	<b>279.86</b>	<b>16.30</b>
Tax expense (revenue)	35.01	2.84	50.19	2.96	54.80	3.19
<b>Net income for the period</b>	<b>131.71</b>	<b>10.67</b>	<b>201.53</b>	<b>11.89</b>	<b>225.06</b>	<b>13.11</b>
Other comprehensive income	1.17	0.09	0.23	0.01	0.32	0.02
<b>Total comprehensive income for the year</b>	<b>132.88</b>	<b>10.76</b>	<b>201.76</b>	<b>11.90</b>	<b>225.38</b>	<b>13.13</b>
Total comprehensive income for Majority Shareholders	133.43	10.81	201.18	11.86	224.19	13.06
Total comprehensive income for Minority Shareholders	(1.72)		0.35		0.87	
Earnings per share (Baht / share) (based on par value of Baht 0.50)	0.22		0.33		0.37	

## Statement of Cash Flows

### Consolidated Statement

	2022	2023	2024
	Million Baht	Million Baht	Million Baht
<b>Cash flows from operating activities</b>			
Profit (loss) before income tax	166.72	251.72	279.86
Depreciation and amortisation	22.71	20.38	19.81
Reduction of inventory to net realisable value	0.45	1.86	(1.34)
Unrealised loss (gain) on exchange rate	(0.86)	(0.40)	0.11
Unrealised (gain) loss on derivative	12.49	(6.63)	8.67
Provision for long-term employee benefits	1.67	1.64	1.80
Interest expenses	14.34	11.78	11.87
Interest income	(1.26)	(2.72)	(7.88)
Gain on sales of equipment	0.00	(0.03)	0.00
Written-off equipment and computer software	0.01	0.03	0.02
Profit from operating activities before changes in operating assets and liabilities	216.27	277.63	312.92
Decrease (increase) in operating assets			
Trade and other receivables	345.26	41.53	(156.99)
Financial lease receivable	0.00	0.00	(99.67)
Inventories	(4.83)	230.09	(121.00)
Other current assets	(55.52)	43.94	10.50
Other non-current assets	(0.29)	(0.01)	0.41
Operating liabilities increase (decrease)			
Trade and other payables	(215.57)	98.71	31.15
Provisions paid	(2.88)	1.40	1.00
Corporate income tax paid	(63.73)	(46.14)	(42.07)
<b>Net cash provided by (used in) operating activities</b>	<b>218.71</b>	<b>647.15</b>	<b>(63.75)</b>



**Consolidated Statement**

	<b>2022</b>	<b>2023</b>	<b>2024</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Cash flows from investing activities</b>			
Interest received	1.28	2.43	7.89
Decrease (increase) in time deposits	(31.06)	(6.30)	20.47
(Increase) decrease in restricted bank deposits	34.95	(0.85)	(35.26)
Acquisitions of equipment and intangible assets	(0.28)	(8.70)	(8.92)
Proceeds from disposals of equipment	0.00	0.08	0.00
<b>Net cash flows provided by (used in) investing activities</b>	<b>4.89</b>	<b>(13.34)</b>	<b>(15.82)</b>
<b>Cash flows from financing activities</b>			
Interest paid	(14.49)	(11.97)	(12.20)
Increase in short-term borrowings from financial institutions	(23.70)	(91.49)	0.00
Cash received from long-term loan	0.00	0.00	69.31
Proceeds from long-term borrowings	(119.61)	(17.56)	(20.66)
Payments of lease liabilities	(1.68)	(1.79)	(1.85)
Investments for capital increase in subsidiary from non-controlling interests	14.10	0.00	0.00
Proceeds from increase in share capital	3.59	0.00	0.00
Dividend paid	(171.08)	(120.15)	(180.22)
<b>Net cash flows provided by (used in) financing activities</b>	<b>(312.87)</b>	<b>(242.96)</b>	<b>(145.62)</b>
Effect from foreign exchange in cash and cash equivalents	(0.39)	(0.12)	(2.11)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(89.66)</b>	<b>390.73</b>	<b>(227.30)</b>
Cash and cash equivalents at beginning of year	323.37	233.71	624.44
<b>Cash and cash equivalents at end of year</b>	<b>233.71</b>	<b>624.44</b>	<b>397.14</b>

## Key Financial Ratios

	2022	2023	2024
<b>Liquidity Ratio</b>			
Current ratio (times)	2.36	2.87	2.44
Quick ratio (times)	1.14	2.25	1.70
Cash flow (times)	0.42	1.69	(0.16)
Accounts receivable turnover ration (times)	3.04	8.06	6.40
Average collection period (days)	118	45	56
Inventory turnover ratio (times)	3.72	6.81	9.23
Average sale period (days)	97	53	39
Creditors' turnover ratio (times)	6.56	18.04	12.96
Repayment period (days)	55	20	28
Cash cycle (days)	160	78	67
<b>Profitability Ratio</b>			
Gross profit margin (%)	20.54	19.73	21.75
Operating margin (%)	13.99	15.04	16.39
Cash to profitability (%)	126.02	254.71	(22.70)
Net profit margin (%)	10.81	11.86	13.06
Return on equity (%)	17.26	25.36	26.18
<b>Efficiency Ratio</b>			
Return on assets (%)	8.30	13.95	14.45
Asset turnover (times)	0.77	1.18	1.11
<b>Financial Policy Ratio</b>			
Liabilities to shareholders' equity ratio (times)	0.71	0.64	0.71
Interest bearing debt to equity ratio (times)	0.27	0.12	0.17
Interest coverage ratio (times)	18.31	59.26	0.24
Debt service coverage ratio (Cash Basis) (times)	0.66	2.59	(0.29)
Dividend payout ratio (%) <sup>(1)</sup>	92.31 <sup>(2)</sup>	92.16 <sup>(3)</sup>	95.07 <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 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>(3)</sup> The 2024 Annual General Meeting approved 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.

<sup>(4)</sup> The Board of Directors' Meeting No.1/2025 resolved to propose in the 2025 Annual General Meeting to approve the dividend payment from the net profit of the year 2024 to shareholders in the amount of 0.35 baht per share for 600,734,989 shares, totaling 210,257,246.15 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 2022-2024, The Company and its subsidiary had a main revenue from sales, rendering services, and construction was 1,225.58 million baht, and 1,688.97 million baht and 1,714.18 million baht respectively. The sale revenue was 786.14 million baht, 1,148.65 million baht and 1,049.21 million baht respectively. The revenue from rendering of services was 341.03 million baht, 437.29 million baht and 545.41 million baht respectively. The construction revenue was 0.00 million baht, 0.00 million baht and 13.40 million baht respectively. The revenue from hospital operations was 98.14 million baht, 103.03 million baht and 106.16 million baht respectively. In 2022, the decrease in sales revenue was due to the delivery of only four projects. The increase in revenue from rendering services resulted from a higher number of maintenance service contracts compared to the same period last year, while an increase in revenue from hospital operations was driven by a higher number of patients. In 2023, the increase in sales revenue was driven by the delivery of six projects, compared to only four projects delivered during the same period last year. The increase in revenue from rendering

services resulted from a higher number of maintenance service contracts compared to the same period last year, while an increase in revenue from hospital operations was driven by a higher number of patients. In 2024, the sales revenue was similar to the same period last year due to the delivery of six projects. The increase in revenue from rendering services resulted from a higher number of maintenance service contracts compared to the same period last year. Revenue from construction arose from a sales contract for the radiation machine, which includes the building construction required for its installation in a hospital. It is recognized progressively based on the ratio of contract costs incurred to the total estimated construction costs. Meanwhile, revenue from hospital operations was similar to the same period of the previous year.

The Company and its subsidiary had gross profits in the year 2022, 2023 and 2024 was 251.76 million baht, 333.15 million baht and 372.82 million baht. The gross profit margin was 20.54%, 19.73% and 21.75% respectively. The gross profit from sales was 164.05 million baht, 237.05 million baht and 249.09 million baht. The gross profit margin from sales was 20.86%, 20.64% and 23.74%. The gross profit from rendering of services was 62.66 million baht, 69.38 million baht and 91.01 million baht. The gross margin from rendering of services was 18.37%, 15.87% and 16.69% respectively.

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%.

In the year 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%. This was similar to the previous year, which was 20.64 %.

The Company and subsidiary had a net profit attributable to equity holder of the Company for the year 2022, 2023 and 2024 of 133.43 million baht, 201.18 million baht and 224.19 million baht respectively. The net profit margin was 10.81%, 11.86% and 13.06%.

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 10.81% 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 11.86%. This was similar to the previous year, which was 133.43 million baht and 10.81%.

For the year 2024, the Company and subsidiary had a net profit attributable to equity holder of the Company of 224.19 million baht and a net profit margin of 13.06%. This was similar to the previous year, which was 201.18 million baht and 11.86%.

## Analysis of Operating Results

### Revenue

The Company and its subsidiary had the total revenues in the year 2022, 2023 and 2024 were 1,233.93 million baht, 1,695.68 million baht and 1,717.16 million baht respectively, with details as follows:

Type of Revenue	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales Revenue	786.41	63.73	1,148.65	67.74	1,049.21	61.10
Services Revenue <sup>(1)</sup>	341.03	27.64	437.29	25.79	545.41	31.77
Construction Revenue <sup>(2)</sup>	0.00	0.00	0.00	0.00	13.40	0.78
Hospital Operations Revenue <sup>(3)</sup>	98.14	7.95	103.03	6.07	106.16	6.18
Total Revenue from Sales and Service	1,225.58	99.32	1,688.97	99.60	1,714.18	99.83
Other Revenue <sup>(4)</sup>	8.35	0.68	6.71	0.40	2.98	0.17
<b>Total Revenue</b>	<b>1,233.93</b>	<b>100.00</b>	<b>1,695.68</b>	<b>100.00</b>	<b>1,717.16</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) gene screening service.

<sup>(2)</sup> The building construction for the installation of the radiation machine which began in Q4/2024.

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

<sup>(4)</sup> 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 2022, 2023 and 2024 of 1,225.58 million baht, 1,688.97 million baht and 1,714.18 million baht, representing 99.32%, 99.60% and 99.83% 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 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 2022, 2023 and 2024, sales revenues were 786.41 million baht, 1,148.65 million baht and 1,049.21 million baht or 63.73%, 67.74% and 61.10% of total revenue, respectively. In comparison, sales revenue during the year 2022-2024 showed that in 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 only four 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% compared to the previous year, which was 786.41 million baht. This increase was due to the delivery of six projects, compared to the only four projects in the previous year.

For the year 2024, the Company and its subsidiary had the sales revenue of 1,049.21 million baht. This was similar to the same period last year, which was 1,148.65 million baht. It resulted from the delivery of six projects in 2022 and 2023.

## **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.

In the year 2022, 2023 and 2024, the Company and its subsidiary had the services revenues was 341.03 million baht, 437.29 million baht and 545.41 million baht or 27.64%, 25.79% and 31.77% of the total revenues, respectively.

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%. An increase resulted from a higher number of maintenance service contracts compared to the same period last year.

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. An increase resulted from a higher number of maintenance service contracts compared to the same period last year.

In the year 2024, the Company and its subsidiary had services revenues of 545.41 million baht which increased by 108.12 million baht or 24.72% compared to the previous year which was 437.29 million baht. An increase resulted from a higher number of maintenance service contracts compared to the same period last year.

## **3. Construction Revenue**

Revenue from construction arose from a sales contract for the radiation machine, which includes the building construction required for its installation in a hospital. The Company and its subsidiary generated construction revenue of 13.40 million baht. Construction costs were recorded based on the percentage of completion. Therefore, as at December 31, 2024, the Company recognized revenue from 38.90% of the project.

#### 4. Hospital Operations Revenue

Hospital operations revenue referred to the income generated by the subsidiary (Cancer Alliance Company Limited) from operating a specialized hospital for cancer treatment.

For the year 2022, 2023 and 2024, the Company and its subsidiary had the revenue from hospital operations of 98.14 million baht, 103.03 million baht and 106.16 million baht, respectively. It increased by 23.19 million baht (30.93%), 4.89 million baht (4.98%) and 3.13 million baht (3.04%) compared to the previous year, respectively. This was due to a higher number of maintenance service contracts.

#### Costs and Gross Profit Margins

In the year 2022, 2023 and 2024, the Company had the costs of sales, services, and construction was 973.82 million baht, 1,355.82 million baht and 1,341.35 million baht or 78.92%, 79.96% and 78.12% of total revenues respectively. The total gross profit of the Company was 251.76 million baht, 333.15 million baht and 372.82 million baht or a gross profit margin of 20.54%, 19.73% and 21.75% 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 is in accordance with the revenue types.

#### Structures of Costs to Total Revenue

	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Costs of Sales of Goods	622.36	50.44	911.60	53.76	800.12	46.60
Costs of Rendering of Services	278.37	22.56	367.91	21.70	454.40	26.46
Costs of Construction	0.00	0.00	0.00	0.00	9.72	0.57
Cost of Hospital Operations	73.09	5.92	76.31	4.50	77.11	4.49
<b>Costs of Sales, Services and Construction</b>	<b>973.82</b>	<b>78.92</b>	<b>1,355.82</b>	<b>79.96</b>	<b>1,341.35</b>	<b>78.12</b>

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

	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Costs of Sales of Goods	622.36	79.14	911.60	79.36	800.12	76.26
Costs of Rendering of Services	278.37	81.63	367.91	84.13	454.40	83.31
Costs of Construction	0.00	0.00	0.00	0.00	9.72	72.59
Cost of Hospital Operations	73.09	74.48	76.31	74.08	77.11	72.63
<b>Total Costs</b>	<b>973.82</b>		<b>1,355.82</b>		<b>1,341.35</b>	

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

	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Gross Profit from Sales of Goods	164.05	20.86	237.05	20.64	249.09	23.74
Gross Profit from Rendering of Services	62.66	18.37	69.38	15.87	91.01	16.69
Gross Profit from Construction	0.00	0.00	0.00	0.00	3.67	27.41
Gross Profit from Hospital Operations	25.05	25.52	26.72	25.92	29.05	27.37
Total Gross Profit	251.76		333.15		372.82	
<b>Gross Profit Margin (%)<sup>(1)</sup></b>	<b>20.54</b>		<b>19.73</b>		<b>21.75</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 2022, 2023 and 2024, the Company and its subsidiary had cost of sales of 622.36 million baht, 911.60 million baht and 800.12 million baht. Gross profit from sales was 164.05 million baht, 237.05 million baht and 249.09 million baht. The gross profit margin of sales to revenues from the sales was 20.86%, 20.64% and 23.74% respectively.

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%.

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



## 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 2022, 2023 and 2024, the Company and its subsidiary had cost of services of 278.37 million baht, 367.91 million baht and 454.40 million baht. The gross profit from services during such periods was 62.66 million baht, 69.38 million baht and 91.01 million baht. The gross profit margin from services to revenues from services was 18.37%, 15.87% and 16.69% respectively.

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 2022, 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%.

In the year 2024, the Company and its subsidiary had gross profit from services of 91.01 million baht or equivalent to gross profit margin of 16.69%. This was similar to the previous year which was 15.87%.

## 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 2022, 2023 and 2024, the Company's cost of sales was 21.09 million baht, 23.57 million baht and 27.97 million baht, or 1.71%, 1.39% and 1.63% of the total revenues respectively.

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.

In the year 2024, the Company and its subsidiary had distribution cost of 27.97 million baht which increased by 4.40 million baht or 18.70% 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 2022, 2023 and 2024 were 59.22 million baht, 55.51 million baht and 60.32 million baht, or 4.80%, 3.27% and 3.51% of the total revenues, respectively.

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.

In the year 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.

## 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.

## Finance Income

Finance income comprises interest income and Interest income from lease agreements. In the year 2022, 2023 and 2024, the Company recorded finance income of 1.26 million baht, 2.72 million baht and 7.88 million baht, respectively, representing 0.10%, 0.16% and 0.46% of the total revenue.

## 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 2022, 2023 and 2024, the Company had a financial cost of 14.34 million baht, 11.78 million baht and 11.87 million baht, or 1.16%, 0.69% and 0.69%, of the total revenue respectively.

## Net Profit and Net Profit Margin

In the year 2022, 2023 and 2024, the Company and its subsidiary had a net profit of 133.43 million baht, 201.18 million baht and 224.19 million baht, respectively. 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 2024, the net profit attributable to equity holder of the Company was 224.19 million baht which increased by 11.44%.

In the year 2022, 2023 and 2024, the Company and its subsidiary had a net profit margin of 10.81%, 11.86% and 13.06% respectively.

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 10.81% compared to the previous year, which was 420.33 million baht or equivalent to net profit margin of 14.33%. This resulted from the delivery of only four projects, compared to 13 projects in the previous year.

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 11.86%. This was similar to the previous year which was 10.81%.

In the year 2024, the Company and its subsidiary had net profit attributable to equity holder of the Company of 224.19 million baht which increased by 23.01 million baht or 11.44% compared to the previous year which was 201.18 million baht. This was due to an increase in the services revenues. The net profit margin was 13.06%. This was similar to the previous year which was 11.86%.

## Return on Equity

In the year 2022, 2023 and 2024, the Company and its subsidiary had returns on equity of 17.26%, 25.36% and 26.18% respectively. 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. In the year 2024, the return on equity was similar to the same period last year.

## Financial Position of the Company

### Total Assets

As of December 31, 2022, 2023 and 2024, the Company and its subsidiary had total assets of 1,406.30 million baht, 1,477.54 million baht and 1,624.54 million baht respectively.

### Current assets

As of December 31, 2022, 2023 and 2024, the Company and its subsidiary had total current assets of 956.62 million baht, 1,037.47 million baht and 1,066.82 million baht, representing 68.02%, 70.22% and 65.67% of the total assets, respectively.

- **Cash and Cash Equivalents:**

As at December 31, 2022, 2023 and 2024, the Company's cash and cash equivalents were 233.71 million baht, 624.45 million baht and 397.14 million baht, or 16.62%, 42.26% and 24.45%, of the total assets respectively. It consisted of petty cash, current deposits, and fixed deposits. 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's long-term loan repayment. In the year 2023, 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 2024, cash and cash equivalents decreased due to dividend payments, an increase in trade receivables from work delivered in the fourth quarter of 2024 but not yet paid, and a rise in inventory levels resulting from an increase in medical equipment and work in progress.

- **Trade Accounts and Other Receivables - Net:**

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had a net value of trade accounts receivables and other accounts receivables of 231.38 million baht, 190.13 million baht and 346.87 million baht, or 16.45%, 12.87% and 21.35% of the total assets, respectively.

(Unit : Million Baht)	December 31, 2022	December 31, 2023	December 31, 2024
Trade Accounts Receivables	229.92	189.36	346.19
Less the Allowance for Doubtful Accounts	(0.00)	(0.00)	(0.00)
Trade Accounts Receivables - Net	229.92	189.36	346.19
Other Accounts Receivables - Net	1.46	0.77	0.68
<b>Total Trade Accounts and Other Receivables - net</b>	<b>231.38</b>	<b>190.13</b>	<b>346.87</b>

The Company has an allowance for doubtful accounts in the number 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, 2022		December 31, 2023		December 31, 2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Current	179.95	78.27	117.01	61.79	256.78	74.17
Overdue						
- Not Over 3 Months	10.91	4.74	15.39	8.13	14.25	4.12
- 3-6 Months	1.12	0.49	2.84	1.50	2.97	0.86
- 6-12 Months	1.34	0.58	0.29	0.15	4.54	1.31
Total Trade Accounts Receivables	193.32	84.08	135.53	71.57	278.54	80.46
Construction Contracts	0.00	0.00	0.00	0.00	9.26	2.67
Unbilled Receivables	36.60	15.92	53.83	28.43	58.39	16.87
Trade Accounts Receivables - Net	229.92	100.00	189.36	100.00	346.19	100.00

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 179.95 million baht, 117.01 million baht and 256.78 million baht or 78.27%, 61.79% and 74.17% of total trade receivables as of December 31, 2022, 2023 and 2024 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.

- **Financial Lease Receivables**

As at December 31, 2024, the Company and its subsidiary had total financial lease receivables amounting to 99.67 million baht, arising from a lease purchase contract. This included 7.83 million baht in finance lease receivables due within one year and 91.84 million baht due beyond one year.

- **Inventories - Net:**

As at December 31, 2022, 2023 and 2024, the Company had a net value of inventories of 316.08 million baht, 84.12 million baht and 206.48 million baht or 22.48%, 5.69% and 12.71% of the total assets, respectively.

	2022		2023		2024	
	Million Baht	%	Million Baht	%	Million Baht	%
Medical Equipment and Work in Progress	306.77	97.05	80.12	95.25	203.42	98.52
Spare Parts and Supplies	6.59	2.08	4.79	5.69	2.25	1.09
Medicines, Supplies and Other Materials	1.38	0.44	1.07	1.27	1.32	0.64
Goods in Transit	1.79	0.57	0.00	0.00	0.00	0.00
Less Allowance for Declining in Value of Inventories	(0.45)	(0.14)	(1.86)	(2.21)	(0.51)	(0.25)
<b>Inventories - net</b>	<b>316.08</b>	<b>100.00</b>	<b>84.12</b>	<b>100.00</b>	<b>206.48</b>	<b>100.00</b>

As at December 31, 2022, 2023 and 2024, the Company's Inventories were primarily medical equipment that were in the process of installation for the clients, valued at 306.77 million baht, 80.12 million baht and 203.42 million baht respectively.

In the year 2022, the Company and its subsidiary had an increase in inventories resulted from the medical equipment 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 medical equipment that were in the process of installation for the clients and goods in transit for one project and less allowance for declining in value of inventories from robots and medicines.

In the year 2024, the Company and its subsidiary had an increase in inventories resulted from the medical equipment that were in the process of installation for the clients.

- **Other Current Financial Assets:**

As at December 31, 2022, 2023 and 2024, the value was 31.59 million baht, 38.04 million baht and 17.55 million baht, or equivalent to 2.25%, 2.58% and 1.08% respectively. It resulted from a 12-month fixed deposit account and the forward contract.

- **Other Current Assets:**

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had other current assets of 143.86 million baht, 100.73 million baht and 90.95 million baht, or 10.22%, 6.82% and 5.60% of total assets respectively. This resulted from the absence of bad debts, which is attributed to the 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 at December 31, 2022, 2023 and 2024, the Company and its subsidiary had total non-current assets of 449.68 million baht, 440.07 million baht and 557.72 million baht, representing 31.98%, 29.78% and 34.33% of the total assets, respectively.

- **Restricted Bank Deposits**

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had deposits of 79.94 million baht, 80.79 million baht and 116.05 million baht or 5.68%, 5.47% and 7.14% 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 at December 31, 2022, 2023 and 2024, the Company's net value of property, plant and equipment was 349.49 million baht, 338.24 million baht and 328.92 million baht or 24.85%, 22.89% and 20.25% of total assets, respectively. It consisted of lands, buildings, office supplies, office improvements, vehicles and medical equipment etc.

- **Rights of Use Assets:**

As at December 31, 2022, 2023 and 2024, the Company's had the rights of use assets of 3.33 million baht, 1.63 million baht and 0.00 million baht or 0.24%, 0.11% and 0.00% of total assets, respectively It consisted of the office lease agreement and medical equipment.

- **Intangible Assets:**

As at December 31, 2022, 2023 and 2024, the Company had the intangible assets of 1.01 million baht, 2.19 million baht and 2.22 million baht, or 0.07%, 0.15% and 0.14% of total assets, respectively, It consisted of the computer software used in the Company's operations.

- **Other Non-Current Assets:**

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had other non-current assets of 1.33 million baht, 1.34 million baht and 0.93 million baht or 0.09%, 0.09% and 0.06% 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 at December 31, 2022, 2023 and 2024, the Company and its subsidiary had total liabilities of 585.67 million baht, 575.30 million baht and 677.13 million baht, or 41.65%, 38.94% and 41.68% of the liabilities and shareholders' equity, respectively.

#### Current Liabilities

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had current liabilities of 405.20 million baht, 360.89 million baht and 436.78 million baht, or 28.82%, 24.43% and 26.89% of liabilities and shareholders' equity, respectively.

- **Short-Term Borrowing from Financial Institutions:**

As at December 31, 2022, 2023 and 2024, It valued 91.49 million baht, 0.00 million baht and 0.00 million baht or 6.51%, 0.00% and 0.00% of liabilities and shareholders' equity respectively which comprise of promissory note and trust receipts for medical equipment purchasing.

- **Trade and Other Payables:**

As of December 31, 2022, 2023 and 2024, they were 239.15 million baht, 305.57 million baht and 346.98 million baht or 17%, 20.68% and 21.36% of liabilities and shareholders' equity respectively.

(Unit : Million Baht)	December 31, 2022	December 31, 2023	December 31, 2024
Trade Accounts Payables	62.03	83.82	123.18
Current Portion of Long-Term Trade Payables	4.50	00.00	0.00
Accrued Expenses	5.18	5.18	6.46
Advances from Other Customers and Unearned Revenue	160.81	200.91	204.98
Other Accounts Payables	6.63	15.66	12.36
<b>Total Trade Accounts and Other Payables</b>	<b>239.15</b>	<b>305.57</b>	<b>346.98</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 at December 31, 2022, 2023 and 2024, the Company and its subsidiary had the outstanding liabilities under contractual warranties of 11.26 million baht, 11.05 million baht and 12.96 million baht or 0.80%, 0.75% and 0.80% of liabilities and shareholders' equity, respectively. Other non-current provisions were 3.29 million baht, 4.90 million baht and 3.98 million baht, or 0.23%, 0.33% and 0.24%, 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 at December 31, 2022, 2023 and 2024, the Company and its subsidiary had other current financial liabilities of 9.83 million baht, 3.35 million baht and 12.00 million baht, or 0.70%, 0.23% and 0.73% of liabilities and shareholders' equity. It was fair value of forward contracts.

## Non-Current Liabilities

As of December 31, 2022, 2023 and 2024, the Company and its subsidiary had non-current liabilities of 180.47 million baht, 214.41 million baht and 240.35 million baht, or 12.83%, 14.51% and 14.79% of liabilities and shareholders' equity respectively.

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

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had non-current trade and other payables of 70.71 million baht, 102.27 million baht and 89.45 million baht or 5.03%, 6.92% and 5.51% of liabilities and shareholders' equity, respectively. It consisted of long-term trade payables and non-current unearned revenue.

- **Long-Term Borrowings:**

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had Long-term borrowings of 94.81 million baht, 96.07 million baht and 134.31 million baht or 6.74%, 6.50% and 8.27% 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 32.70 million Baht, 13.88 million baht and 24.29 million baht, respectively.

- **Liabilities under Lease Agreements:**

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had lease liabilities of, 1.83 million baht, 0.00 million baht and 0.00 million baht, or 0.13% 0.00% 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 1.82 million baht, 1.86 million baht and 0.00 million baht respectively.

## Shareholders' Equity

As of December 31, 2022, 2023, and 2024, the Company and its subsidiary had an equity attributable to owners of the Company of 752.77 million baht, 834.05 million Baht, and 878.31 million Baht, respectively. These amounts represented 53.53%, 56.45%, and 54.07%, respectively, of the total liabilities and shareholders' equity.

- **Registered Capital:**

As at December 31, 2022-2024, the shareholders' equity of the Company and its subsidiary was 330 million baht. 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 at December 31, 2022-2024, the Company had a paid-up share capital of 300.37 million baht. 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 at December 31, 2022, 2023 and 2024, the Company had a share premium of 225.54 million baht, 225.54 million and 225.54 million baht representing 16.04%, 15.26% and 13.88% 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 at 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 at December 31, 2022, 2023 and 2024, the Company had a legal reserve of 28.85 million baht, 33.00 million baht and 33.00 million baht representing 2.05%, 2.23% and 2.03% of total liabilities and shareholders' equity respectively. The legal reserve was increased by 6.85 million baht, 4.15 million baht and 0.00 million baht, representing 5%, 2.08% and 0.00% of net profit. It was 8.74%, 10.00% and 10.00% of the Company's registered capital respectively.

- **Retained Earnings:**

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had unallocated earnings of 205.75 million baht, 282.88 million baht and 327.14 million baht, representing 14.63%, 19.15% and 20.14% of total liabilities and shareholders' equity respectively.

	2022	2023	2024
Unallocated Earnings, January 1	349.16	205.75	282.88
Total Comprehensive Income for the Year	134.50	201.43	224.48
Legal Reserve	(6.85)	(4.15)	0.00
Stock Dividend	(99.98)	0.00	0.00
Dividend Payment (Cash)	(171.08)	(120.15)	(180.22)
Unallocated Earnings, December 31	205.75	282.88	327.14

## Debt to Equity Ratio

As of December 31, 2022, 2023 and 2024, the Company and its subsidiary had a ratio of debt to equity of 0.71 times, 0.64 times and 0.71 times respectively and interest-bearing debt to equity ratio of 0.27 times, 0.12 times and 0.17 times.

## Interest Coverage and Debt Service Coverage Ratios

In the year 2022, 2023 and 2024, the Company and its subsidiary had an interest coverage ratio of 18.31 times, 59.26 times and 0.24 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 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 2024, the Company had a decrease in cash flow from operations, resulted in a decrease in interest coverage ratio.

In the year 2022, 2023 and 2024, the Company and its subsidiary had a ratio of debt service coverage of 0.66 times, 2.59 times and (0.29) 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 at December 31, 2022, 2023 and 2024, the Company and its subsidiary had current assets of 956.62 million baht, 1,037.47 million baht and 1,066.82 million baht, or 68.02%, 70.22% and 65.57% of total assets respectively.

As at December 31, 2022, 2023 and 2024, the Company and its subsidiary had current liabilities of 405.20 million baht, 360.89 million baht and 436.78 million baht or 28.82%, 24.43% and 26.89% 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 2022, 2023 and 2024 was 2.36 times, 2.87 times and 2.44 times and the quick ratio was 1.14 times, 2.25 times and 1.70 times respectively. In the year 2022, the Company and its subsidiary had an increase in liquidity ratio level, which was due to 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. In 2024, the Company had a decrease in liquidity ration level due to an increase in trade payables, other current payables, and long-term loans due within one year.

## Cash Cycle

As at December 31, 2022, 2023 and 2024, the Company had a cash cycle of 160 days, 78 days and 67 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 2024 Ended December 31, 2024

- **Net Cash Provides by (Used in) Operating Activities**

The Company had net cash used in operating activities amounting to (63.75) million baht, primarily due to an increase in trade receivables and inventory.

- **Net Cash Provides by (Used in) Investing Activities**

The Company had net cash used in investing activities amounting to (15.82) million baht, primarily due to a decrease in fixed deposits of 20.47 million baht, an increase in restricted bank deposits of 35.26 million baht, and purchases of assets amounting to 8.92 million baht.

- **Net Cash Provides by (Used in) Financing Activities**

The Company had net cash used in financing activities amounting to (145.62) million baht, primarily due to interest payments of 12.20 million baht, proceeds from long-term loans of 69.31 million baht, repayments of long-term loans of 20.66 million baht, and dividend payments totaling 180.22 million baht.

## Sustainable Business Operations

The Company is committed to achieving stable and sustainable business growth by creating opportunities for business expansion beyond the distribution and installation of radiotherapy medical equipment, while enhancing value for shareholders and all stakeholders in a balanced manner. Additionally, the Company emphasizes social and environmental responsibility, ensuring responsiveness to the needs of all stakeholders. Business operations are conducted under principles of good governance, with a strong focus on employee development and respect for human rights, in alignment with the Company's vision and mission.

## Factors or Situations Which May Significantly Impact the Company's Operating Results and Financial Status in the Future

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

Business Alignment Public Company Limited (“the Company”) strives to conduct its business in a way that ensures stable and sustainable growth by creating added value for shareholders and all stakeholders. It also places importance on adhering to the guidelines of the Stock Exchange of Thailand to ensure good corporate governance. Therefore, the Board of Directors has approved the corporate governance policy, code of conduct, and business ethics for directors, executives, and employees to serve as a guideline for interacting with all stakeholders. These are communicated to directors, executives, and employees through internal communication channels and the Company’s website, and adherence to them is regularly monitored. The aim is to ensure that there is a consistent understanding of corporate governance principles, adhering to transparency, fairness, and accountability. For example:

- Approving and reviewing the Company’s vision, mission, commitment, policies, strategies, objectives, goals, business plans, budget, and operational direction, as well as risk management measures, every year.
- Allocating essential resources appropriately by integrating technology and innovation with adequate access control systems to ensure duties are performed efficiently and effectively.
- Maintaining transparency in business operations.
- Safeguarding the safety of personnel, assets, and the environment within the organization and the surrounding community.
- Performing duties responsibly in accordance with professional ethics, morals, and integrity.
- Complying with the Company’s rules, Articles of Association including the regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission, the Capital Market Supervisory Board, other regulatory agencies, and laws related to the business.
- Encouraging personnel to participate in external and internal training to continuously enhance their capabilities.

The Board of Directors reviews the corporate governance policy at least once a year and promotes the adaptation of the 2017 Corporate Governance Code for Listed Companies, prepared by the Securities and Exchange Commission, to suit the Company’s business context. This includes the following principles.

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

The corporate governance policy, code of conduct and business ethics are disclosed under “Policies” in the ‘Sustainability’ section, accessible through the Investment Relation segment on the Company’s website. (<https://www.bizalignment.com/policies/>)

## **Policies and Practices Related to Shareholders and Stakeholders**

### **Engagement and Communication with Shareholders**

The Board of Directors recognizes the importance of shareholders’ rights, and all shareholders are encouraged to exercise their fundamental rights. The Company shall not engage in any actions that violate or infringe upon the rights of shareholders. It is committed to treating all shareholders equally and fairly, whether they are minor shareholders, major shareholders, or institutional investors. The Company shall act in full compliance with applicable laws and regulations, giving equal importance to the disclosure of financial information and non-financial information to all stakeholders, in accordance with the principles of good corporate governance, relevant regulations, and applicable laws.

### **Roles to Stakeholders**

The Company recognizes its roles to stakeholders and places importance on the rights of all groups of stakeholders. It ensures that all stakeholders are treated appropriately, equally, and fairly. The Company believes that prioritizing to its stakeholders shall contribute to sustainable development. Additionally, it provides communication channels for all stakeholder, including whistleblowing channels, enabling stakeholders to effectively participate in safeguarding the Company’s interests.

### **Internal Control and Risk Management**

The Board of Directors places great importance on having a sound and effective internal control system, as well as risk management, to ensure that objectives are achieved efficiently and that operations comply with relevant laws and standards.

### **Anti-fraud and Corruption**

The Board of Directors has approved the anti-fraud and corruption policy as a guideline for directors, executives, and employees. They shall not solicit or accept money, benefits, or inappropriate items, nor engage in corruption or unethical conduct from parties involved in the Company’s operations. This includes refraining from requesting or accepting money, benefits, or items from persons or entities conducting business with the Company, whether directly or indirectly, in exchange for favorable treatment or with the expectation of gaining advantages related to the Company’s business.

### **Code of Conduct and Business Ethics**

The Company has established a code of conduct and business ethics, which are parts of its corporate governance policy. These serve as a guideline for directors, executives, and all employees to follow in order to maximize the benefits for the Company’s stakeholders. Additionally, it aims to build credibility in the Company’s operations, contributing to sustainable growth.

## Policies and Guidelines on the Board of Directors

### Composition of Board of Directors

- The Board consists of at least five directors, with no less than half of the total number of directors required to reside in the Kingdom. The directors shall meet the qualifications set by law and the Company's Articles of Association, without any discrimination based on gender or other differences.
- The Board of Directors shall include at least one-third independent directors.
- The Board consists of directors with diverse qualifications in terms of skills, experience, expertise, and specific characteristics, including gender and age, which align with the Company's business strategies. These qualities are essential for achieving the organization's objectives and goals, as outlined in the Board Skill Matrix. This matrix covers areas such as healthcare, engineering, accounting, finance, information technology, business management, organizational leadership, and corporate governance etc. At least two directors shall have knowledge of the Company's business, and at least one shall have expertise in accounting or finance.
- The Board of Directors shall elect one of the members to be the Chairman of the Board who is an independent director and is not the same person as the Chief Executive Officer. Additionally, there is no familial or business relationship between them. The roles and responsibilities of the Chairman and the CEO are clearly separated.

### Independent Directors

The Board has approved the definition of an independent director as a person who fully meets the qualifications and independence that is in accordance with the criteria of the Capital Market Supervisory Board.

### Board Diversity

The nomination of directors considers diversity in the structure of the Board, including education, work experience, skills, and knowledge, without restrictions based on gender, age, race, nationality, religion, or other differences.

### Meetings of the Board of Directors

- The Board of Directors is required to meet at least four times a year (once every three months), with a meeting schedule prepared in advance for each year. The company secretary informs all directors of the meeting schedule by the last quarter of the prior year. Additional meetings are convened as and when circumstances warrant.
- When calling a board meeting, the meeting notice and supporting documents (in hard copy and/or electronic format) shall be sent to all directors at least five working days before the meeting. However, in urgent cases where the Company's interests are at stake, the notice may be sent through other means and the meeting scheduled sooner.

- A quorum for each board meeting requires at least two-thirds of the total number of directors to be present. For any resolution to be made, at least two-thirds of the directors shall participate in the vote.
- Each director should attend at least 75% of the total board meetings each year.
- Non-executive and independent directors hold at least one meeting per year without the presence of Management to discuss management-related issues and recommendations for improving the Company's operations. The conclusions and outcomes of these meetings are communicated by the Chairman to Management, serving as a guide for the Company's further development.

### **Term of Office**

At each annual general meeting of shareholders, one-third (1/3) of the current 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.

### **Nomination of Board Members**

For nomination of Board members, the Company emphasizes a person with knowledge, skills, experience, leadership, broad vision, integrity, and ethical conduct, as well as those who can dedicate sufficient time to fulfill his/her duties for the Company's benefit. The Company also values the Board diversity and uses a Board Skills Matrix to identify the qualifications of the nominated director. This matrix helps the Company identify skills that are lacking and determine the appropriate qualifications to align with the Company's business operation strategy. In addition, the Company may refer to the director pool of the Thai Institute of Directors Association (IOD) for director nomination.

### **Assessment of the Performance of the Board of Directors**

The Board conducts assessments of its annual performance on group and individual basis. The assessment guidelines provided by the Stock Exchange of Thailand which are adapted to suit the characteristics and the Board's structure. The purpose is to review the performance outcome and for improving collaboration and enhancing overall effectiveness.

### **Directors' Remuneration**

The remuneration for the directors is determined based on the Company's strategies and long-term goals, as well as their experience, duties, scope, roles, and responsibilities, including the benefits the Company expects to receive from each director. This is benchmarked against standards in the same industry. The directors' remuneration must be approved by the shareholders' meeting and the Company shall provide the monetary remuneration as approved. In addition to the monetary remuneration, the Company does not provide any other benefits to its Board of Directors.



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

### **Subcommittees**

The Board approved the establishment of two sub-committees, namely Audit Committee and Nomination and Remuneration Committee in order to assist the Board to screen operations within certain limits of authority as stipulated in the charter and regularly report the outcome to the Board.

### **Supervision of Subsidiaries and Associated Companies**

The Board of Directors places great importance on and has established a framework and mechanism for overseeing the policies and operations of subsidiaries and associated companies to safeguard the interests of the Company.

### **Succession Plan**

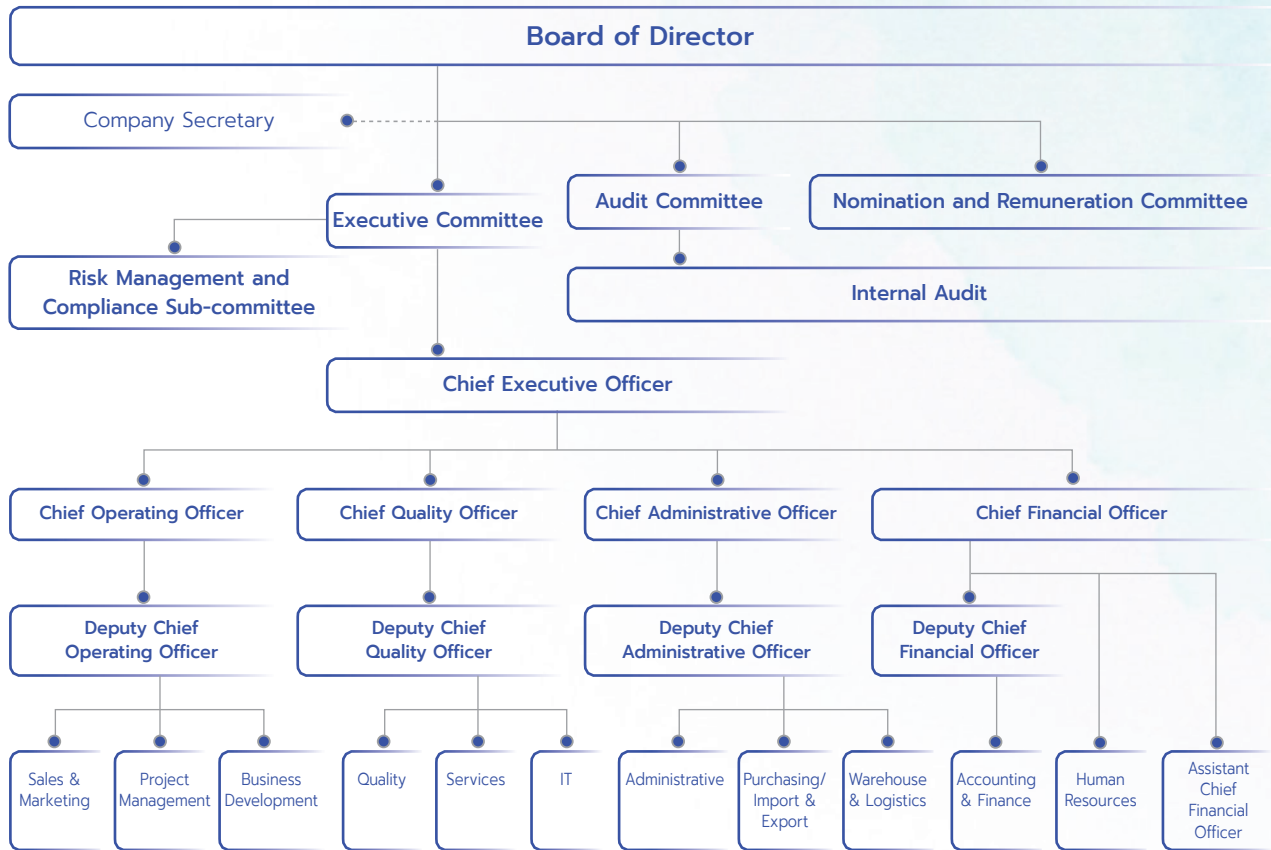
The Board of Directors ensures the existence of a succession plan as a guideline for implementation, with results reported annually. Additionally, the Board has established a policy for the recruitment of successors for the Chief Executive Officer and senior management.

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

In 2024, the Board of Directors reviewed the adequacy and appropriateness of the corporate governance policy and practices. The Board concluded that the overall content of the corporate governance policy remains aligned with the relevant principles and is suitable for the current business model. However, adjustments have been made to communication and disclosure section to align with the Company's current business operations.

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 nine 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.

# Corporate Governance Structure



## Board of Directors

### Composition of the Board

- The Board consists of at least five directors, with no less than half of the total number of directors required to reside in the Kingdom. The directors shall meet the qualifications set by law and the Company's Articles of Association, without any discrimination based on gender or other differences.
- The Board consists of directors with diverse qualifications in terms of skills, experience, expertise, and specific characteristics, including gender and age, which align with the Company's business operating strategies. These qualities are essential for achieving the organization's objectives and goals, as outlined in the Board Skills Matrix. This matrix covers areas such as healthcare, engineering, accounting, finance, information technology, business management, organizational leadership, and corporate governance etc. At least two directors shall have knowledge of the Company's business, and at least one shall have expertise in accounting or finance. In 2024, the Company achieved such goal by having two directors with expertise in the Company's business, two in finance, and one in accounting.
- The Board of Directors consists of seven members whose qualifications align with the Company's operating business strategies through the Board Skills Matrix. The Board also reflects diversity

in education and experience, without limitations on other differences. Profile details as shown in “Information of the Board of Directors, Management and Directors of the Subsidiary”.

- The Board of Directors shall consist of at least one-third independent directors. The Company has four independent directors, representing 57% of the entire board, which exceeds the legal requirement. All independent directors meet the qualifications outlined in the Company’s definition of independent directors, which is in accordance with the criteria of the Capital Market Supervisory Board. The definition of “Independent Director” is disclosed under “Report on Key Operating Results on Corporate Governance”.
- The Chairman of the Board is an independent director and is not the same person as the Chief Executive Officer. Furthermore, there is no familial or business relationship between them, and their roles and responsibilities are clearly separated.







### The Board of Directors are as follows:

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

### Authorized Directors

Mr. Sompong Chunekitayanone, Mr. Voravid Silapusid and Mr. Noppadol Suntanaphanich, any two of these three directors jointly sign with the Company’s seal affixed.

### Board Skills Martix

	<b>Healthcare</b> 2 persons		<b>Inspection</b> 2 persons		<b>Accounting/Finance</b> 2 persons
	<b>Business Administration</b> 4 persons		<b>Information Technology</b> 3 persons		<b>Sustainability</b> 2 persons

## **Roles, Duties and Responsibilities of the Board of Directors**

1. To perform its responsibilities in compliance with its fiduciary duties and ensure that the Company operates in accordance with applicable law and standards.
2. Establish clear leadership role and responsibilities of the Board
  - 2.1. To demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the Company, and strengthen good governance, including:
    - defining objectives;
    - determining means to attain the objectives; and
    - monitoring, evaluating, and reporting on performance.
  - 2.2. To exercise its leadership role and pursue the following governance outcomes for achieving sustainable value creation:
    - competitiveness and performance with long-term perspective;
    - ethical and responsible business;
    - good corporate citizenship; and
    - corporate resilience.
  - 2.3. To demonstrate a thorough understanding of the division of the Board and Management responsibilities, clearly define the roles and responsibilities of Management and monitor Management's proper performance of its duties.
3. Define objectives that promote sustainable value creation
  - 3.1. To define objectives that promote sustainable value creation and governance outcomes as a framework for the operation of the Company
  - 3.2. To ensure that the Company's annual and medium-term objectives, goals, strategies, and plans are consistent with the long-term objectives, while utilizing innovation and technology effectively.
4. Strengthen the Board effectiveness
  - 4.1. To determine and review the Board structure, in terms of size, composition, and the proportion of independent directors so as to ensure its leadership role in achieving the Company's objectives.
  - 4.2. To select an appropriate person as the Chairman and ensure that the Board composition serves the best interest of the Company, enabling the Board to make its decisions as a result of exercising independent judgement on corporate affairs.
  - 4.3. To ensure that the policy and procedures for the selection and nomination of directors are clear and transparent resulting in the desired composition of the Board
  - 4.4. To consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to the performance of each individual director and the Company, and provide incentives for the Board to lead the Company in meeting its objectives, both in the short and long term
  - 4.5. To ensure that all directors are properly accountable for their duties, responsibilities and (in-) actions, and allocate sufficient time to discharge their duties and responsibilities effectively
  - 4.6. To ensure that the Company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate
  - 4.7. To conduct a formal annual performance evaluation of the Board, its sub-committees, and each individual director. The evaluation results shall be used to strengthen the effectiveness of the Board.

- 4.8. To ensure that the Board and each individual director understand their roles and responsibilities, the nature of the business, the Company's operations, relevant law and standards, and other applicable obligations, as well as support all directors in updating and refreshing their skills and knowledge necessary to carry out their roles on the Board and the sub-committees.
- 4.9. To ensure that the Board can perform its duties effectively and has access to accurate, relevant and timely information, as well as appoint a company secretary with necessary qualifications, knowledge, skills, and experience to support the Board in performing its duties.
5. Ensure effective CEO and people management
  - 5.1. To ensure that a proper mechanism is in place for the nomination and development of the Chief Executive Officer (CEO) and key executives for ensuring that they possess the knowledge, skills, experience, and characteristics necessary for the Company to achieve its objectives.
  - 5.2. To ensure that an appropriate compensation structure and performance evaluation are in place
  - 5.3. To consider its responsibilities in the context of the Company's shareholder structure and relationships, which may impact the management and operation of the Company.
  - 5.4. To ensure the Company has effective human resources management and development programs for ensuring that the Company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff
6. Nurture innovation and responsible business
  - 6.1. To prioritize and promote innovation that creates value for the Company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the Company
  - 6.2. To encourage management for adopting responsible operations and incorporate them into the Company's operations plan. This is to ensure that every department and function in the Company adopts the Company's objectives, goals, and strategies, applying high ethical, environmental and social standards, and contributes to the sustainable growth of the Company.
  - 6.3. To ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the Company to meet its objectives
  - 6.4. To establish a framework for governance of enterprise IT that is aligned with the Company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Company's objectives.
7. Strengthen effective risk management and internal control
  - 7.1. To ensure that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals and strategies and comply with applicable law and standards
  - 7.2. To establish an audit committee that can act effectively and independently
  - 7.3. To manage and monitor conflicts of interest that might occur between the Company, Management, directors, and shareholders, as well as prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties
  - 7.4. To establish a clear anti-corruption policy and practices (including communication and staff training), and strive to extend its anti-corruption efforts to stakeholders

8. Ensure disclosure and financial integrity
  - 8.1. To ensure 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
  - 8.2. To monitor the Company's financial liquidity and solvency
  - 8.3. To ensure that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated, and that the Company's governance framework provides for the consideration of stakeholder rights.
  - 8.4. To ensure sustainability reporting, as appropriate
  - 8.5. To ensure the establishment of a dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders and other stakeholders (such as analysts and potential investors)
  - 8.6. To ensure the effective use by the Company of information technology in disseminating information
9. Ensure engagement and communication with shareholders
  - 9.1. To ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters
  - 9.2. To ensure that shareholders' meetings are held as scheduled and conducted properly, with transparency, and ensuring inclusive and equitable treatment of all shareholders and their ability to exercise their rights
  - 9.3. To ensure accurate, timely and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings.

The Board of Directors has the authority to approve various matters, for example:

- The Company's vision, mission, and direction.
- Annual plans and budgets.
- Investments, project implementation, and key contracts for the Company and its subsidiaries.
- Dividend policy.
- Performance evaluation of the Board and the CEO.
- Appointment of directors who resign during the year and the formation of subcommittees.
- Determination of authorized signatories for the Company.
- Appointment of representatives as directors in the Company's subsidiaries and setting governance guidelines for those entities.

Matters involving shared responsibility of the Board and Management:

- Formulating and reviewing policies and strategies, plans, and targets.
- Ensuring robust system for risk management and internal control.
- Clearly defining Management's responsibilities.
- Overseeing appropriate policies and plans for resource allocation, including HR, IT and budgeting.
- Monitoring and evaluating financial and non-financial corporate performance.
- Ensuring integrity of financial and non-financial information disclosures.

### **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.

### **Sub-Committees**

The Board approved the establishment of two sub-committees, namely Audit Committee ("AC") and Nomination and Remuneration Committee ("NRC") in order to assist the Board to screen operations within certain limits of authority as stipulated in the charter and regularly report the outcome to the Board.

### **Audit Committee**

The AC consists of at least three independent directors, with at least one member possessing adequate knowledge or experience in accounting, finance, or auditing to oversee the reliability of the Company's financial statements. The term of office shall be three years. The AC is as follows:

<b>No.</b>	<b>Name</b>	<b>Position</b>
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

All members of the AC possess the qualifications in accordance with the criteria set by the Stock Exchange of Thailand and the Securities and Exchange Commission.

### **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, 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.



## Nomination and Remuneration Committee

The NRC consists of at least three members, with no fewer than half being independent directors. The Chairman of the NRC shall also be an independent director. The NRC is 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 Chunekitiyanone	Nomination and Remuneration Member
5.	Mr. Voravid Silapusid	Nomination and Remuneration Member

### Duties and Responsibilities of the Nomination and Remuneration Committee

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 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 and select the candidate who has the required qualifications.
4. To review the candidate as to whether he/she possess the qualification required by laws and the relevant regulations.
5. To approach the candidate who meet the criteria to ensure their willingness to accept the directorship if appointed by the shareholders.
6. To propose the candidate 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.
9. 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.
10. 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.
11. To consider the assessment criteria for executives as assigned by the Board.
12. 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.

13. 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.

## 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, Management and Directors of the Subsidiary"

### Roles and Duties 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 complied 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.

## Management's Remuneration

For determining the Management's remuneration, the intent is to motivate them to perform in a way that drives the achievement of the Company's annual and long-term goals. This is benchmarked against accepted standards in the same industry and takes into consideration the following factors:

- 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

Remuneration	2022		2023		2024	
	Person	Amount (Million Baht)	Person	Amount (Million Baht)	Person	Amount (Million Baht)
Salary	5	9.10	4	8.27	4	8.66
Bonus	5	6.18	4	6.13	4	7.43
<b>Total</b>		<b>15.28</b>		<b>14.40</b>		<b>16.09</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 2022-2024.

The Board of Directors is of the opinion that the remuneration of the Management is appropriate and reasonable, considering the Company's performance and the results of the annual evaluation.

## Executive Committee

The Company has established the Executive Committee which consists of the directors, and/or Management, and/or employees, and/or other qualified persons in a number deemed appropriate by the Board of Directors, details 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
5.	Mr. Puvid Silapusid	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.

## Personnel

	As at December 31, 2022		As at December 31, 2023		As at December 31, 2024	
	Male	Female	Male	Female	Male	Female
Total Number of Employees (person)	29		29		31	
	12	17	12	17	14	17
<b>Percent</b>	<b>41</b>	<b>59</b>	<b>41</b>	<b>59</b>	<b>45</b>	<b>55</b>
Management*	3	2	3	1	3	1
Non-management	9	15	9	16	11	16

\* Management in accordance with the definition of the SEC

### Employees' Remuneration

The Company determines the remuneration for the employees, 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.

	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
Total Remuneration* (Million Baht)	24.63		29.33		32.71	
	9.77	14.86	11.32	18.01	12.74	19.97
Ratio of Average Remuneration of Male Employees to Female Employees	0.66		0.63		0.64	

\* Excluding the remuneration paid to the Management in accordance with the definition of the SEC

As of December 31, 2024, there are 30 employees participating in the provident fund, representing 97% of the total number of employees.

## Other Significant Information

### Company Secretary

As per the Securities and Exchange Act, the Board of Directors' meeting has approved the appointment of Ms. Phatthranit Amornratchai, to be the Company Secretary of the Company effective April 10, 2023.

## **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.

**Ms. Phatthranit Amornratchai**

Age: 38 years

Appointed: April 10, 2023

Percentage of Shareholding in the Company: 0.00% (1,100 shares)

**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
- 2023 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**

The AC has approved to the appointment of Honor Audit and Advisory Company Limited, an outsource internal audit service provider, to serve as the internal auditor for the Company and its subsidiary. Ms. Piyamas Ruangsaengrob, Managing Partner (Internal Audit Services), holds the position of Head of Internal Audit and reports directly to the AC.

**Ms. Piyamas Ruangsaengrob**

Certified Public Accountant No. 7133

Age: 46 years

Appointed: April 16, 2015

Percentage of Shareholding in the Company: None

**Educational Background**

- Master of Accounting, 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

### **Certificate, Training and Seminar for the Past 3 Years**

- Internal Auditing Certificate Program (IACP) (7th Class), Federation of Accounting Professions
- IT Audit Program Certificate, Federation of Accounting Professions
- Accounting Professions Audit Office for Quality Certification under the ISQC1 Standard Certificate Program (3rd Class), 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) (2022)
- COSO ESG Risk Management Framework Adapted for Thai Organizations (2024)
- Analytical Thinking and 5C's for Effective Audit Result Communication (2024)
- COSO Bundles & Insights of Implementation in Real Cases (2024)

**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

### **The Person Taking the Highest Responsibility in Finance and Accounting**

Mr. Voravid Silapusid, Chief Financial Officer, was assigned to be directly responsible for taking the highest responsibility in finance and accounting, effective from May 12, 2000. Profile details are as shown in “Information of the Board of Directors, Management and Directors of the Subsidiary”.

### **The Person Supervising Accounting**

Ms. Sukanlaya Khumnuan, Deputy Chief Financial Officer, was assigned to be directly responsible for the Company’s accounting, effective from December 23, 2015. Profile details are as shown in “Information of the Board of Directors, Management and Directors of the Subsidiary”.



**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.

**Audit Fee**

For the fiscal year ended December 31, 2024, the Company and its subsidiary paid the audit fee of 1,942,500 baht to EY Office Limited (the “Audit Firm”), which is the office of the auditors. Such audit fee comprises of audit fee of the Company and its subsidiary of 1,575,000 baht and 367,500 baht, respectively.

**Non-Audit Fee**

The Company and its subsidiary obtained non-audit services from the Audit Firm for a fee of 267,500 baht. This amount covered consultancy fees related to contract review, amendments, and associated tax matters.

The AC approved the engagement of the Audit Firm to render non-audit services after considering its relevant knowledge, expertise, business understanding, and reasonable fees compared to other audit firms. Moreover, such services neither cause any conflict of interest, nor review of their own work which did not cause the lack of independence and neutrality in performing audit work.

The auditors, the office of auditors, and other related parties to the auditors and the office of auditors are independent and have no relationship or conflict of interest with the Company, its subsidiaries, directors, executives, major shareholders, or relating parties to aforementioned persons.

# Report on Key Operating Results on Corporate Governance

## Summary of Duty Performance of the Board of Directors

The Board of Directors shall include at least one-third independent directors. The Board has approved the definition of an independent director as a person who fully meets the 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 one 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

For nomination of Board members, the Company emphasizes a person with knowledge, skills, experience, leadership, broad vision, integrity, and ethical conduct, as well as those who can dedicate sufficient time to fulfill his/her duties for the Company's benefit. The Company also values the Board diversity and uses a Board Skills Matrix to identify the qualifications of the nominated director. This matrix helps the Company identify skills that are lacking and determine the appropriate qualifications to align with the Company's operating business strategy. In addition, the Company may refer to the director pool of the Thai Institute of Directors Association (IOD) for director nomination.

## Nomination Procedures of the Directors

In the event of a vacancy on the Board of Directors, the Nomination and Remuneration Committee reviews the Board Skills Matrix to evaluate the necessary qualifications, knowledge, skills, and experience for the new director. This evaluation includes:

- Not having legal disqualifications or violations of regulatory requirements.
- Not having conflicts of interest or competing interests with the Company.

- Upholding high standards of ethics, integrity, and honesty.
- Dedicating adequate time to his/her duties.

The Company also prioritizes the Board diversity, including but not limited to race, religion, origin, and gender, along with qualifications mandated by law and relevant authorities. The director pool is used as a resource to identify suitable candidates aligned with the Company's strategy. The proposed candidates are then presented to the Board of Directors and shareholders for appointment according to the Company's Articles of Association.

Additionally, the opportunity is provided for shareholders to nominate the candidate for Board of Directors in advance. This process is announced through the Stock Exchange of Thailand's channel and the Company's website, providing details on the nomination procedures for submission to the Board and the annual general meeting of shareholders.

### **Method of Appointment of 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 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 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.

## Orientation

The Company recognizes the importance of supporting the duties of newly appointed directors. Therefore, an orientation program is arranged to help new directors understand the Company's objectives, goals, vision, mission, values, nature of business, and business practices. This also includes relevant laws and regulations, corporate governance policy, and other necessary and beneficial information for their role as directors.

## Development of Directors and Management

The Company has a policy to encourage directors and executives to enhance their skills and knowledge. It facilitates regular participation in training courses related to their duties, whether through internal training or external institutions, such as the Stock Exchange of Thailand, the Securities and Exchange Commission, or the Thai Institute of Directors Association (IOD).

### Directors and Management's Training with Thai Institute of Directors (IOD)

Name	DAP	DCP	AACP	Other
Mr. Woodtipong Moleechad		DCP 130/2010	AACP 44/2022	ACEP 15/2015, DCPU 3/2015
Ms. Srirat Chuchottaworn		DCP 219/2016	AACP 24/2016	
Mr. Vipoota Trakulhoon	DAP 117/2015		AACP 42/2021	
Mr. Thanawat Lertwattanak		DCP 219/2016	AACP 24/2016	
Mr. Sompong Chunekitiyanone		DCP 204/2015		SGP9/2024
Mr. Voravid Silapusid		DCP 205/2015		
Mr. Noppadol Suntanaphanich	DAP 123/2016			ITG 8/2018
Ms. Sukanlaya Khamnuan	DAP 136/2017			

In 2024, Directors and Management attended the training and seminar courses as follows:

Name	Course
Mr. Sompong Chunekitiyanone Director, Nomination and Remuneration Committee Member, Chief Executive Officer and Acting Chief Operating Officer	<ul style="list-style-type: none"> <li>• Prevention, Deterrence, and Suppression of Inappropriate Behavior of Listed Companies, The Stock Exchange of Thailand</li> <li>• Subsidiary Governance Program (SGP9/2024), Thai Institute of Directors Association</li> <li>• Medical Hub Executive Program (MEP) (1st Class), Department of Health Service Support</li> <li>• Advanced Certificate Course in Politics and Governance under the Democratic Regime for Senior Executives (27th class), The College of Politics and Governance, King Prajadhipok’s institute</li> </ul>
Mr. Voravid Silapusid Director, Nomination and Remuneration Committee Member and Chief Financial Officer	<ul style="list-style-type: none"> <li>• Cost Management for Executives, Dharmniti Management Development Company Limited</li> </ul>
Ms. Sukanlaya Khamnuan Deputy Chief Financial Officer	<ul style="list-style-type: none"> <li>• All TFRS Standards for 2024 No.1/2024 (Mini Course 102), Thailand Federation of Accounting Professions</li> <li>• Quarterly Currency and Interest Rate Analysis for 2024, Bank of Ayudhya Public Company Limited</li> <li>• Currency and Interest Rate Analysis for Q3/2024, Bank of Ayudhya Public Company Limited</li> <li>• How to Prepare ESG Data? To Enhance Attractiveness from the Perspective of Analysts and Investors, The Stock Exchange of Thailand and Investment Analysts Association</li> </ul>

Details of the training previously undertaken by each director and executives are set out in “Information of the Board of Directors, Management and Directors of the Subsidiary”

### Assessment of the Board’s Performance

The Board conducts an assessment of its annual performance as both a group and as individuals. The company secretary distributes the assessment forms for both group and individual evaluations and provides a summary to the Board of Directors’ meeting, where they jointly consider the results and identify solutions to improve their performance.

### Summary of the 2024 Assessment

- Board of Directors as a whole: The assessment criteria covered the Board’ structure and qualifications, roles, duties and responsibilities of the Board, the Board’s meeting, duties of directors, relationship with Management, and director’s self-improvement and management training. The score of 99.02% indicated excellent overall performance.

- Board of Directors as an individual: The assessment criteria covered the Board’ structure and qualifications, the Board’s meeting, and roles, duties and responsibilities of the Board. The score of 97.14% indicated excellent overall performance.
- Subcommittees: The assessment criteria covered the subcommittees’ structure and qualifications, the subcommittees’ meeting and roles, duties and responsibilities of the subcommittees. The AC score of 98.73% indicated excellent overall performance and The NRC score of 99.31% indicated excellent overall performance.

## Assessment of the Chief Executive Officer (CEO)’s Performance

The Board of Directors is responsible for evaluating the performance of the CEO. The evaluation criteria have been reviewed by the Nomination and Remuneration Committee. The company secretary compiles a summary report of the evaluation results and presents it to the Board of Directors’ meeting for further consideration. The assessment criteria covered leadership, strategy formulation, strategy execution, financial planning/performance, relationships with the Board, external relations, human resources management/relations, succession, product/service knowledge, and personal qualities. The results of the CEO’s performance evaluation for the year 2024 showed an average score in the “excellent” range.

## Meeting Attendance of the Board of Directors

Attendance of all directors in 2024 as shown below.

Name	Board of Directors (7 Meetings)			Audit Committee (5 Meetings)	Nomination and Remuneration Committee (3 Meetings)	Annual General Meeting (1 Meetings)
	Total	Physical	Online			
1. Mr. Woodtipong Moleechad	7/7 (100%)	4/7	3/7			1/1
2. Ms. Srirat Chuchottaworn	7/7 (100%)	5/7	2/7	5/5	3/3	1/1
3. Mr. Vipoota Trakulhoon	7/7 (100%)	4/7	3/7	5/5	3/3	1/1
4. Mr. Thanawat Lertwattanak	7/7 (100%)	5/7	2/7	5/5	3/3	1/1
5. Mr. Sompong Chunekitayanone	7/7 (100%)	4/7	3/7		3/3	1/1
6. Mr. Voravid Silapusid	7/7 (100%)	5/7	2/7		3/3	1/1
7. Mr. Noppadol Suntanaphanich	7/7 (100%)	5/7	2/7			1/1

## Remuneration for the Board of Directors

For the year 2024, the Annual General Meeting held on April 9, 2024, had approved the remuneration for the directors who are members of the Board 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

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 2024

Name	Position	Monthly Remuneration (Baht)	Meeting Allowance (Baht)	Total Remuneration (Baht)
1. Mr. Woodtipong Moleechad	Chairman of the Board and Independent Director	240,000	135,000	375,000
2. Ms. Srirat Chuchottaworn	Independent Director, Audit Committee Chairman and Nomination and Remuneration Committee Member	180,000	195,000	375,000
3. Mr. Vipoota Trakulhoon	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Chairman	180,000	185,000	365,000
4. Mr. Thanawat Lertwattanak	Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member	180,000	170,000	350,000
5. Mr. Sompong Chunekitayanone	Director and Nomination and Remuneration Committee Member	-	100,000	100,000
6. Mr. Voravid Silapusid	Director and Nomination and Remuneration Committee Member	-	100,000	100,000
7. Mr. Noppadol Suntanaphanich	Director	-	70,000	70,000
<b>Total</b>		<b>780,000</b>	<b>955,000</b>	<b>1,735,000</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 2,000,000 baht is distributed evenly among all independent directors.
  - The Directors do not receive remuneration for serving as directors in subsidiary company.

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

No.	Name	No. of Shares			Shareholding (%)
		As at Dec. 31, 2023	Increase / (Decrease)	As at Dec. 31, 2024	
1	Mr. Woodtipong Moleechad	-	-	-	-
	Spouse and Minor Child	-	-	-	-
2	Ms. Srirat Chuchottaworn	-	-	-	-
	Spouse and Minor Child	-	-	-	-
3	Mr. Vipoota Trakulhoon	-	-	-	-
	Spouse and Minor Child	-	-	-	-
4	Mr. Thanawat Lertwattanak	2,000	-	2,000	0.00
	Spouse and Minor Child	-	-	-	-
5	Mr. Sompong Chunekitiyanone	192,705,000	-	192,705,000	32.08
	Spouse and Minor Child	-	-	-	-
6	Mr. Voravid Silapusid	181,500,000	-	181,500,000	30.21
	Spouse and Minor Child	4,482,000	-	4,482,000	0.75
7	Mr. Noppadol Suntanaphanich	36,000,000	-	36,000,000	5.99
	Spouse and Minor Child	-	-	-	-
8	Ms. Sukanlaya Khamnuan	33,000	-	33,000	0.01
	Spouse and Minor Child	-	-	-	-

## Supervision of Subsidiaries and Associated Companies

The Board of Directors has established the policy for supervision of subsidiaries and associated companies, as well as a system for monitoring compliance with this policy to safeguard the Company's interests, as follows:

### 1. Supervision by the Board of Directors:

- Set the direction and policies.
- Review key matters such as strategy, business plans, and transactions in accordance with the regulations of the Securities and Exchange Commission (SEC).
- Monitor performance through Board meetings.
- Appoint persons as directors, executives, or controlling persons in subsidiaries and associated companies based on the Company's shareholding proportion.

### 2. Supervision by the Management:

- Develop and implement plans according to the policies.
- Monitor and ensure compliance with the policies.
- Report performance results to the Board of Directors in quarterly meetings.
- Oversee the disclosure of financial status and performance, including significant transactions, ensuring they comply with relevant regulations.

### **3. Monitoring and Audit Process:**

- External Auditors
- Internal Auditors

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

### **1. Policy**

The Board of Directors has established the written corporate governance policy to serve as a guideline for the Company's directors, executives, and employees. This policy ensures compliance with the Company's corporate governance framework and is reviewed annually. In 2024, the Board of Directors reviewed the appropriateness and sufficiency of the corporate governance policy and related guidelines, concluding that the key principles remain aligned with relevant regulations and are suitable for the current business model. However, certain improvements were made to the communication and disclosure section to align with the Company's current business operations.

In 2024, the Company communicated the corporate governance policy and related policies to the directors, executives, and employees regularly through internal and external channels.

### **2. Internal Control and Risk Management**

The Company has implemented an internal control system, a risk management system, and internal audit processes that cover key operational areas. Additionally, it regularly monitors the progress of the risk management plan to ensure effective management and control.

### **3. Audit**

The Board of Directors oversees the Company to ensure that it has an adequate and effective internal control system and internal audit system in place. Additionally, a process for regularly assessing the appropriateness of the Company's internal control system is established. The internal auditor prepares an annual audit plan and reports the results to the Audit Committee and the Board of Directors.

### **4. Anti-fraud and corruption**

The Company has established the clear policy and guidelines for anti-fraud and corruption guidelines and has communicated them across all levels of the organization to ensure effective implementation. The anti-fraud and corruption policy is reviewed annually. Measures have been put in place to ensure compliance with these policies are as follows:

- The Company has established clear disbursement regulations, including approval limits and an authority matrix. Supporting documentation must be clear and in accordance with policy, and the internal audit team reviews the processes.
- The transparent and fair personnel management process has been implemented. It covers selection, training, performance evaluation, compensation, and promotion.

- The Company ensures internal controls encompass finance, accounting, and data recording, as well as other internal processes related to anti-corruption measures.
- The Company has a risk management process to prevent and combat fraud and misconduct. This involves analyzing risks, determining risk levels, and setting appropriate measures. Progress on the risk management plan is regularly monitored.
- Internal audits are conducted to ensure that the Company's internal control systems, risk management, and corporate governance processes are adequately and effectively implemented in line with the intended objectives.

In 2024, 100% of directors, executives, and employees were communicated with regarding policies, guidelines, and knowledge related to the anti-fraud and corruption through the organization's internal communication channels. Additionally, there were no complaints or violations related to fraud and corruption reported.

## 5. IT Security

The Board of Directors has approved the policy and measures regarding the security of the information technology (IT) system. This includes ensuring the confidentiality and availability of information and preventing any misuse or unauthorized alteration of data. These measures are in place to manage, control, and prevent damage from incidents that could impact the Company's critical information. Additionally, employees and relevant personnel are empowered to use the IT system efficiently while complying with relevant laws. In 2024, the Company Undertook the Following Actions:

- Communicated to employees for awareness to help employees prevent and report information security incidents, such as identifying phishing attacks and reporting phishing emails, as well as adhering to data security controls and the Company's regulations related to the Personal Data Protection Act (PDPA), etc.
- Implemented a segregated Wi-Fi system with one network exclusively for the employees and a general Wi-Fi network for the visitors.
- No breaches of information security systems or other cybersecurity incidents that caused damage to the Company were detected.
- No instances of data breaches, theft, or damage to personal data were reported.
- No employees were fined or penalized due to violations of information security systems or other cybersecurity incidents.

## 6. Compliance with Good Corporate Governance Principles for Listed Companies

### Engagement and Communication with Shareholders

- The Board of Directors' Meeting No.1/2024 resolved that the 2024 Annual General Meeting (AGM) of the Company would be on April 9, 2024, at 14:00 hrs. The Company set the date, time, and the venue regarding shareholders' convenience. Furthermore, ballots were provided for all agenda items, and a barcode system was utilized for registration, vote counting, and result presentation at the shareholders' meeting for its convenience, speed, and accuracy.

- The Company invited minority shareholders to propose agenda items for the 2024 AGM and nominate qualified persons for election as the Company's directors in advance. Guidelines and methods for submitting such proposals were published via the Stock Exchange of Thailand and the Company's website from November 20, 2023, to December 31, 2023. After the submission period ended, no shareholders proposed agenda items or nominated persons for election as the Company's directors for the 2024 AGM.
- The notice of the shareholders' meeting, related documents, and other relevant information in both Thai and English will be posted on the Company's website. Additionally, a proxy form, clearly specifying the required evidence for granting a proxy, is sent along with the meeting invitation. The Company does not impose any conditions or rules that would create difficulties for shareholders in appointing a proxy, ensuring convenience for those who cannot attend the meeting in person.
- Shareholders are allowed to appoint a proxy to attend the meeting on their behalf if they are unable to attend in person. The Company provides Proxy Form B, one of the forms prescribed by the Ministry of Commerce, which allows shareholders to specify their voting directions. Additionally, shareholders have the option to appoint an independent director of the Company as their proxy to vote on their behalf if they cannot attend the meeting themselves.
- Before the start of every shareholder's meeting, the company secretary explains the voting methodology to shareholders (voting criteria, procedures on using the ballot, and the voting right). Additionally, the Company has appointed an independent person to count or verify the votes during the shareholders' meeting, and this is disclosed to the meeting. All shareholder questions answers are summarized and recorded in the minutes, ensuring that all key points are accurately and comprehensively documented.
- Each meeting is conducted according to the sequence of the agenda and does not add any agenda items without prior notice to shareholders.
- The Company disseminates the results of the vote of each agenda item at the shareholders' meeting via the Stock Exchange of Thailand's channel and the Company's website within the next business days after the meeting was held.
- Directors and employees have a duty to maintain the confidentiality of the Company's information and must not exploit this confidential information for their own benefit or for the benefit of others.
- The information to be disclosed shall be accurate and complete, in accordance with relevant regulations and laws, and made available through channels that stakeholders can easily access, ensuring equality and reliability. These channels include the Stock Exchange of Thailand, Annual Report (Form 56-1 One report) and the Company's website etc.
- For the disclosure of material information that may impact investment decisions, the Company shall promptly disclose such information in accordance with the regulations and requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- Investor Relation section has been established to be responsible for communicating and disseminating beneficial information to shareholders, investors, analysts, and other relevant parties in an appropriate, equitable, and timely manner.

## Roles to Stakeholders

- **Patients**

- Source and distribute high-quality medical equipment with the latest technology
- Continuously improve the quality of medical services and patient care standards

- **Employees**

- Support and encourage the development of employee potential by promoting participation in training sessions, seminars, and site visits.
- Implement the Key Performance Indicators (KPIs) for the assessment of individual performance and the determining of employees' remuneration.
- Provide fair remuneration and benefits i.e., providence fund, commissions, the activities/events to promote employee relations etc. Overall, the employees' remuneration and benefits are competitive compared to the same industry, aligning with both the Company's short-term and long-term performance.
- In 2024, the Company did not receive any complaints or reports regarding human rights issues related to its activities, business operations, or throughout its supply chain.

- **Shareholders**

The Board of Directors strives to perform its duties with integrity, transparency, and diligence for the maximum benefit of all shareholders, aiming to preserve and enhance long-term value for them. All significant information that may affect the Company's stock price and/or the decision-making of shareholders shall be fully disclosed in a timely manner.

- **Customers**

- The Company emphasizes treating customers with transparency, fairness, and accountability. It focuses on delivering services that meet customer needs with high quality, standards, convenience, speed, and punctuality, aiming to achieve the highest level of customer satisfaction. This customer-focused approach has resulted in customer satisfaction survey scores exceeding the set targets.
- The Company provides accurate and sufficient information and advice regarding its products and services while maintaining customer confidentiality. The Company does not misuse customer data and adheres to the Personal Data Protection Act, B.E. 2562 (2019), and related laws. A personal data protection policy and relevant guidelines have been established, and strict compliance is enforced. In 2024, there were no cases or incidents involving complaints regarding customers' personal data.

- **Suppliers**

The Company has established the procurement policy with a process and criteria for selecting and screening suppliers that is non-discriminatory, transparent, and auditable. It strictly adheres to the code of conduct to prevent unfair competition.

- **Creditors**

The Company considers creditors as important business partners and therefore commits to fulfill all of its obligations under contracts to its creditors, to not conceal information nor facts that may damage its creditors, and to notify its creditors in advance in any case where there might be any potential event which could cause the Company to fail to comply with any obligations under contracts including guarantee conditions, capital management, and its debt servicing. In such cases the Company works with its creditors to mutually resolve those potential problems.

- **Competitors**

The Company conducts its business openly, transparently, and without creating unfair advantages. It emphasizes fair competition by operating within the framework of good practices and refrains from damaging the reputation of competitors. Additionally, the Company will not violate or acquire trade secrets from competitors through fraudulent means, nor will it infringe upon the legal rights of competitors through any actions or decisions made by the Company. In 2024, no disputes or legal actions between the Company and its subsidiaries and competitors were reported.

- **Social, Community and Environment**

The Board oversees and ensures that Management conducts business responsibly towards society and the environment. This ensures that all parts of the Company align with its objectives, key goals, and strategic plans, while considering the roles to stakeholders. Mechanisms are established to ensure that the Company operates ethically, responsibly towards society and the environment, and does not infringe on the rights of stakeholders. These mechanisms serve as a guide for all parts of the organization to achieve their objectives and key goals in a sustainable manner.

- **Whistleblowing**

The Board of Directors has established the whistleblowing policy, along with mechanisms to protect whistleblowers and related persons. This enables stakeholders to effectively participate in safeguarding the Company's interests. The whistleblowing channels are as follows:

1. Postal mail:

Independent Director and Audit Committee Chairman (Whistleblowing)

Business Alignment Public Company Limited

92/45, Sathorn Thani 2 Building, 16th Floor, North Sathorn Road,

Silom, Bangrak, Bangkok 10500

2. Email:

biz-cg@bizalignment.com

In 2024, no complaints were filed and the independent directors acknowledged on such matter.

## Responsibilities of the Board

In 2024, the Board of Directors undertook the following actions:

- Reviewing the Company's vision, mission, and strategies to ensure long-term value creation and sustainability, while also monitoring the implementation of the strategies and periodically tracking Management's performance.
- Reviewing the corporate governance policy, the code of conduct and the business ethnics.
- Ensuring that directors understand their 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.
- 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 the Board of Directors' and the sub-committees' charters.
- 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 the Board of Directors' meetings on a quarterly basis.
- Non-executive and independent directors held a meeting without the presence of Management in November 2024. The conclusions and outcomes of the meeting were communicated by the Chairman to Management, serving as a guide for the Company's further development.

## Code of Conduct and Business Ethnics

The Company has established a written code of conduct and business ethnics, which is part of its corporate governance policy, to serve as a guideline for directors, executives, and employees to follow. This has been communicated through internal and external channels of the Company and is regularly monitored for compliance and reviewed annually. In 2024, 100% of directors, executives, and employees were informed and made aware of the Company's code of conduct and business ethnics. Additionally, there were no violations of the code of conduct and business ethnics, no instances of non-executive directors resigning due to governance issues, and no negative reputational cases arising from the Board's failure to fulfill its oversight duties.



## 7. Supervision of the Use of Inside Information

The Board of Directors ensures that the use of inside information complies with the law and good corporate governance principles. This has been established in writing within the Company's corporate governance policy to prevent the misuse of information for insider trading or seeking unfair advantage. The following measures have been implemented:

- All directors and executives are required to report their holdings of the Company's securities and notify the company secretary (an assigned person) at least one day in advance if they intend to deal in the securities of the Company. Any changes to their securities shall be reported to the Securities and Exchange Commission (SEC) as its regulations and to the Board of Directors in the next meeting.
- Directors, executives and employees of the Company are prohibited from dealing in listed securities of the Company while in possession of unpublished confidential and price-sensitive information in relation to such securities during the "embargo period".
- The "embargo period" defines as one month before and 24 hours after the date of the announcement of results for each of the first three quarters and the full-year results of the Company's financial year. Internal reminders on a quarterly basis shall be issued by the company secretary to inform the directors, executives and employees of the Company of the embargo period prior to Stock Exchange of Thailand announcements on the Company's financial results within which they shall not deal in the securities of the Company.
- The securities holdings of the Board and executives are disclosed in the Company's annual report (Form 56-1 One Report).

In 2024, 100% of the directors, executives, and employees were informed about the policy, guidelines, and knowledge related to preventing the misuse of inside information and the dealing in the Company's securities through the organization's internal communication channels. There were no incidents of directors, executives, or employees engaging in insider trading. Additionally, there were no cases of unfair practices or exploitation of investors through the use of inside information by the Company's directors or executives.

## 8. Preventing Conflicts of Interest

The Board of Directors monitors and manages any potential conflicts of interest that may arise between the Company and its Management, the Board, or shareholders. This includes preventing the improper use of the Company's assets, information, and opportunities, as well as ensuring that transactions with related parties are conducted fairly. The following measures have been implemented:

- Shareholding structures of the Company and its subsidiaries shall be disclosed in the Annual report (Form 56-1 One Report) for transparency.
- Guidelines are set in the Company's code of conduct to avoid conflicts of interest for personal or affiliated gains.

- Policies are established for related-party transactions or transactions that may have conflicts of interest, ensuring they are reasonable and primarily benefit the Company and shareholders. Such transactions are considered as if they were conducted with external parties and are handled transparently without the involvement of interested parties. These transactions must strictly comply with relevant regulations, and information shall be disclosed accurately and thoroughly to investors.
- The Company oversees and manages transactions that could involve conflicts of interest. It ensures that these transactions follow proper procedures, adhere to legal disclosure requirements, and prioritize the best interests of the Company and its shareholders, without the involvement of interested parties in decision-making.
- Directors, executives (as defined by the Securities and Exchange Commission and the Stock Exchange of Thailand), and related persons under Section 89/1 of the Securities and Exchange Act shall submit a report of their interests (including any changes) to the company secretary (an assigned person), who records and updates the Board on any changes annually or as they occur.

In 2024, 100% of the directors, executives, and employees were informed about the policies, guidelines, and knowledge related to preventing conflicts of interest through the organization's internal communication channels. Additionally, the Company has not encountered any misconduct related to conflicts of interest.

## 9. Relationship with Investors

Investor Relation section has been established to be responsible for communicating and disseminating beneficial information to shareholders, investors, analysts, and other relevant parties in an appropriate, equitable, and timely manner. The Company's performance and information were disclosed both directly and indirectly, as follows:

- Direct: In 2024, the Company participated in three "Opportunity Day" events organized by the Stock Exchange of Thailand.
- Indirect: The Company provided various information, including performance, financial statements, and disclosures submitted to the Stock Exchange of Thailand, through the Investor Relations section on the Company's website.

# Internal Control

The Board of Directors recognizes the importance of internal controls and risk management systems that are key fundamentals in driving the Company's sustainable growth that adds value to the stakeholders. Therefore, an appropriate and effective internal control and risk management system has been established, which includes ensuring the Company's compliance with relevant regulations and laws, preventing conflicts of interest, overseeing related party transactions, monitoring and controlling the operations, safeguarding assets from leakage, loss, or misconduct, and ensuring the accuracy and reliability of information in financial reports.

Below are key components of internal control and risk management based on the guidelines of The Committee of Sponsoring Organizations of Treadway Commission ("COSO").

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

## Control Environment

The Board of Directors has implemented a management system and established a clear and appropriate organizational structure that ensures independence, effective operations, and efficient internal communication. Clear goals and operational policies are set, and written manuals for operational authority and work processes are provided. This structure is intended to enable the Company to meet its established goals with efficient, transparent, and fair practices for both the Company and the external parties.

## Risk Assessment

The Board has established the Risk Management and Compliance Sub-committee tasked with guiding, preventing, and managing potential risks that could hinder the Company's achievement of its objectives. This subcommittee supports each department by setting oversight and risk mitigation frameworks. This includes risks related to fraud and corruption. It assesses risks based on two key aspects: the impact and the likelihood. Regular assessments, monitoring, and reporting are conducted and submitted to the Executive Committee, the Audit Committee and the Board of Directors.

## Control Activities

The Company has clearly set the roles and responsibilities of each position, along with written policies, authority manuals, and guidelines to ensure accurate and appropriate execution of tasks.

## Information and Communication

The Board of Directors places great importance on information systems and communication, establishing an information technology unit to continuously oversee these areas. This oversight ensures that communication and operations remain accurate and up to date. The Company has also set the policy for data security and equipment protection, providing secure internal communication channels for employees (such as email and intranet) to effectively disseminate policies, rules, code of conduct, business ethics, as well as various documents and announcements.

## Monitoring Activities

The Company arranges for meetings of the Board of Directors and the Audit Committee at least four times a year (once every three months) and holds regular meetings of the Executive Committee to analyze, evaluate, and assess performance against the Company-set goals. The results of these assessments are then used to plan and improve operational approaches, as well as to track the improvement of identified weakness. A performance evaluation system is implemented to assist in monitoring and evaluating whether performance aligns with the established objectives or targets.

Additionally, the Company has set up the whistleblowing channel, allowing employees and external parties to report, file complaints, or provide information on any misconduct, fraud, corruption, or failure to comply with laws and the Company's rules, free from discrimination, mistreatment, or retaliation. The Board of Directors has reviewed and determined that the Company's internal control and risk management systems are adequate, appropriate, efficient, and without any significant deficiencies that would impact internal control and risk management effectiveness.

## Opinion of the Internal Auditor on the Company's Internal Control System

The internal auditor conducted an assessment of the Company's internal control system, aiming to evaluate whether the system is adequate and appropriate. This assessment helps ensure that the operations of the Company and its subsidiary effectively and efficiently achieve their objectives, goals, and/or policies. Additionally, it verifies that operations comply with the Company's established policies, requirements, and processes, as well as relevant laws and regulations. The assessment also assures that financial and operational reports are reliable and accurate. The internal auditor presented the audit findings to the Audit Committee and the Board of Directors, and the Company has taken these observations and recommendations into account to continuously correct and improve various processes, aligning them with sound internal control principles.

## Head of Internal Audit

The Internal Audit Unit operates independently and reports directly to the Audit Committee. It plays a supporting role for both the Audit Committee and the Board of Directors by assessing the adequacy and suitability of the internal control systems within the Company and its subsidiaries. Additionally, it monitors and ensures that various departments address and improve any internal control weaknesses

identified, thereby ensuring that the established internal control system is appropriate, sufficient, and effective. The Audit Committee has appointed Honor Audit and Advisory Company Limited, an outsourced internal audit service provider, to serve as the internal auditor for the Company and its subsidiaries. Ms. Piyamas Ruangsaengrob, Managing Partner (Internal Audit Services), holds the position of the Head of Internal Audit due to her independence, ongoing professional development in relevant internal audit training, and her extensive audit experience, which enhances her ability to apply best practices effectively. Her comprehensive understanding of each department's processes and operations also supports her capacity to carry out her duties effectively. The Audit Committee, having reviewed her qualifications, deems her well-suited and effective for the role.

The appointment, transfer and dismissal of the head of Internal Audit of the Company must be approved by the Audit Committee which is one of the duties as specified in the charter. Profile of the head of internal audit is as shown in "Corporate Governance Structure".

### **Opinion of the Board of Directors on the Company's Internal Control System**

The Board of Directors ensures that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals and strategies and comply with applicable law and standards. The Audit Committee has been delegated the authority and responsibility to review and ensure the Company has an appropriate and effective internal control and internal audit system. The Board is of the opinion that the Company's internal accounting controls are adequate and have enabled the external auditors to opine that the Company's financial statements are presented fairly.

The Board has also taken note of, and accepted, the Audit Committee's report on the Company's internal control system comprising of five components namely control environment, risk assessment, control activities, information and communication, and monitoring activities and therefore concludes that the Company's internal control and risk management system are adequate with sufficient personnel to conduct the system efficiently and that there are no material weaknesses in the Company.

### **Opinion of the Audit Committee on the Company's Internal Control System**

Audit Committee has the same opinion as the Board of Directors' in regard to the Company's internal control system.

# 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 2022-2024, as follows:

Name of Related Persons / Relationship	Type of Transactions	Value (Million Baht) as of			Reason and Necessity
		31/12/2022	31/12/2023	31/12/2024	
<p><b>1. Mr. Sompong Chunekitiyanone</b> Relationship 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 Chunekitiyanone made collateral guarantees for the Company,</p> <ul style="list-style-type: none"> <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> <li>the amount of 0 million baht for the year 2024</li> </ul> <p>without having charged any fee for making the guarantee.</p>	Outstanding balance 0.00	Outstanding balance 0.00	Outstanding balance 0.00	<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><b>2. Mr. Voravid Silapusid</b> Relationship 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 2022</li> <li>in the amount of 0 million baht for the year 2023</li> <li>in the amount of 0 million baht for the year 2024</li> </ul> <p>without having charged any fee for making the guarantee.</p>	Outstanding balance 0.00	Outstanding balance 0.00	Outstanding balance 0.00	<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
		31/12/2022	31/12/2023	31/12/2024	
<b>3. Sathorn Sixteen Company Limited</b> <u>Relationship</u> 1. Mr. Sompong Chunekitiyanone and Mr. Voravid Silapusid are directors and major shareholders 2. Mr. Noppadol Suntanaphanich is a director and a shareholder	<u>The expenses of the rent office space.</u> <ul style="list-style-type: none"> <li>The Company rents office space from Sathorn Sixteen Company Limited.</li> </ul> <u>Current Assets</u> <ul style="list-style-type: none"> <li>Deposits office space</li> </ul> Accounts payable and other payables <ul style="list-style-type: none"> <li>Accrued expenses</li> </ul>	Rental fee 1.63  Deposits 0.41  House and building tax 0.06	Rental fee 1.63  Deposits 0.41  House and building tax 0.06	Rental fee 1.63  Deposits 0.41  House and building tax 0.06	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.

Remark : The Board of Directors' Meeting No. 6/2024 held on November 11, 2024, resolved the entering into a connected transaction (renewal of the office space lease agreement) with Sathorn Sixteen Company Limited. The agreement term is for a period of five years from January 1, 2025, to January 1, 2029.

## 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 auditor, 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.

## 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, Management and Directors of the Subsidiary

## Board of Directors

### Mr. Woodtipong Moleechad

Chairman of the Board and Independent Director  
Age 76 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, Audit Committee Chairman and Investment 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
- Chairman of the Board, Independent Director and Audit Committee Chairman, Supreme Distribution (Thailand) Public Company Limited

##### In Non-Listed Companies

None

### Ms. Srirat Chuchottaworn

Independent Director  
Age 56 years

**Appointed :** December 16, 2015

#### Re-elected

- April 18, 2018
- August 5, 2020
- April 8, 2022
- April 9, 2024

**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 Co., Ltd.

## Mr. Vipoota Trakulhoon

Independent Director

Age 58 years

**Appointed :** December 16, 2015

### Re-elected

- April 18, 2019
- April 8, 2022
- April 9, 2024

**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, Audit Committee Member and Investment Committee Member, Triple I Logistic Public Company Limited
- Director, Millcon Steel Public Company Limited

#### In Non-Listed Companies

##### Present

- Director, Creative Power Company Limited

## Mr. Thanawat Lertwattanak

Independent Director

Age 54 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, Prpa-in Fintech Company Limited
- Director, Tokenine Company Limited
- Director, K Innovation Company Limited
- Director, PAC Corporation (Thailand) Company Limited

## Mr. Sompong Chunekitiyanone

Director

Age 62 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
- Subsidiary Governance Program (SGP9/2024), Thai Institute of Directors Association
- Management Program for Senior Executives (FME) (9<sup>th</sup> Class), The Comptroller General's Department
- Top Executive Program in Commerce and Trade (TEPCoT) (13<sup>th</sup> Class), University of the Thai Chamber of Commerce
- Capital Market Academy Leadership Program (26<sup>th</sup> Class), The Stock Exchange of Thailand
- Advanced Master of Management Program (AMM) (2<sup>nd</sup> Class), National Institute of Development Administration (NIDA)
- VELA – Vitality Enhancement and Longevity Academy (1<sup>st</sup> Class), Chulalongkorn University
- Medical Hub Executive Program (MEP) (1st Class), Department of Health Service Support
- Advanced Certificate Course in Politics and Governance under the Democratic Regime for Senior Executives (27<sup>th</sup> class), The College of Politics and Governance, King Prajadhipok's institute

**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 and Compliance 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 Silapusid

Director

Age 59 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 and Compliance 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

Director

Age 53 years

**Appointed** : April 3, 2015

### Re-elected

- April 18, 2017
- April 18, 2019
- April 9, 2021
- April 9, 2024

**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  
and Compliance Sub-Committee Member and Chief Quality  
Officer, Business Alignment Public Company Limited

#### In Non-Listed Companies

##### Present

- Director, Sathorn Sixteen Company Limited

**Remark** : No directors have any record of committing any illegal  
action.

# Management

## Mr. Sompong Chunekitiyanone

Chief Executive Officer and Acting Chief Operating Officer

Appointed : May 12, 2000

Profile as shown in the section of "Board of Directors"

## Mr. Voravid Silapusid

Chief Financial Officer

Appointed : May 12, 2000

Profile as shown in the section of "Board of Directors"

## Mr. Noppadol Suntanaphanich

Chief Quality Officer

Appointed : April 3, 2015

Profile as shown in the section of "Board of Directors"

## Ms. Sukanlaya Khamnuan

Deputy Chief Financial Officer  
Age 40 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 and Compliance 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 Management of the Company has any record of committing any illegal action.

## 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 Chunekitiyanone	/, 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 and Compliance Sub-Committee Chairman
RMC	= Risk Management and Compliance Sub-Committee Member	E	= Executive according to the definition of the SEC

# 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 2024, the AC formally convened five 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	5/5
Mr. Vipoota Trakulhoon *	Audit Committee Member	5/5
Mr. Thanawat Lertwattanak	Audit Committee Member	5/5

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

In 2024, the AC carried out its duties covering the following key issues.

## Financial Reports

The AC, in collaboration with external auditors, management, and internal auditors, has reviewed the Company’s quarterly and annual financial statements as well as the relevant financial reports. It is to ensure that the financial reports were prepared in a correct manner in compliance with laws and regulations generally accepted accounting principles whereby the financial reports were disclosed in a complete, correct, adequate and timely manner.

## Internal Control

The AC arranged to put in place internal audit plans for the Company and its subsidiary are appropriate for the business operations in order to ensure that the Company has an adequate and appropriate internal control system, including the assessment of the adequacy of the internal control system according to the form of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). In this light, the AC was of the opinion that the Company has an adequate and appropriate internal control system relative to the size and current state of the Company’s business.

## Risk Management

The AC reviewed the adequacy of the Company’s risk management processes and provided recommendations to ensure that the Company’s risk management has an appropriate and sufficient internal control system and supports the Company’s objectives.



### **Connected Transactions**

The AC conducted a review of connected transactions or items that may have conflicts of interest to ensure that the transactions are entered into in a reasonable manner on arm's length basis and they are ordinary business support transactions which are appropriate, reasonable and which be beneficial to the Company, as well as in compliance with the regulations of SET and SEC. The disclosure shall also be accurate and adequate.

### **Good Corporate Governance and Anti-corruption**

The AC ensured that the Company's operations are conducted in accordance with good corporate governance principles while taking into account the interest of related stakeholders as well as supporting anti-fraud and corruption guidelines. Convenient and appropriate channels are available for whistleblowing, along with measures to treat all parties fairly after receiving complaints and mechanisms to maintain the confidentiality of the whistleblower. Furthermore, the AC reviewed the anti-fraud and corruption policy to ensure alignment with relevant regulations and the Company's current business model.

### **Compliance with Laws and Regulations**

The AC reviewed and oversaw that the Company and its subsidiaries are in compliance with the securities and exchange laws, SET's regulations and other laws related to the Company's business, including the Company's Articles of Association and code of conduct. The AC found no indication of any non-compliance and/or practices that conflict with relevant laws and regulations.

### **Oversight of Internal Auditor**

The AC oversaw the performance of the internal auditor through consideration and approval of the annual internal audit plan, to ensure the plan aligns and covers the internal control system of the Company and its subsidiary. The AC has also considered the internal audit results and ensured that the internal audit plan was accomplished.

### **Appointment of Auditor**

The AC considered and selected the auditors of the Company based on the qualifications, independence of the auditor, expertise, experience, performance, scope of audit as well as the appropriateness of the quoted audit fee. The AC has recommended to the Board of Directors to propose, at the shareholders' meeting, the appointment of the auditor of EY Office Limited as the Company's auditor, which was subsequently approved by the shareholders. Furthermore, the AC attended one non-management meeting with the auditor to deliberate accounting approaches and audit plans.

**Non-audit Services**

The AC approved the engagement of the Audit Firm to render non-audit services after considering its relevant knowledge, expertise, business understanding, and reasonable fees compared to other audit firms. Moreover, such services neither cause any conflict of interest, nor review of their own work which did not cause the lack of independence and neutrality in performing audit work.

**The Charter of the Audit Committee**

The AC has reviewed its Charter to ensure compliance with the relevant regulations and the corporate governance policy.

**Self-evaluation**

The AC conducted its annual self-evaluation (as a whole), results of which was reported to the Board of Directors as well as disclosed in the Company’s annual report (Form 56-1 One Report).

The AC monitored the Company’s operations within the scope of its authority, duties, and responsibilities. The AC expressed the opinion that the Company had prepared financial statements in a correct manner in compliance with laws and regulations generally accepted accounting principles whereby the financial reports were disclosed in a complete, correct, adequate and timely manner, adequately disclosed information on potential conflicts of interest or connected transactions, maintained an internal control and risk management system suitable for the business, and complied with relevant legal requirements.

Ms. Srirat Chuchottaworn  
Audit Committee Chairman

# 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 2024, the NRC convened three meetings, and all members of the NRC attended the meetings, details as follows:

Name	Position	Number of Meeting Attendances
Mr. Vipoota Trakulhoon	Nomination and Remuneration Committee Chairman	3/3
Ms. Srirat Chuchottaworn	Nomination and Remuneration Committee Chairman	3/3
Mr. Thanawat Lertwattanak	Nomination and Remuneration Committee Chairman	3/3
Mr. Sompong Chunekitiyanone	Nomination and Remuneration Committee Chairman	3/3
Mr. Voravid Silapusid	Nomination and Remuneration Committee Chairman	3/3

In 2024, the NRC carried out its duties covering the following key issues.

## Nomination

The process for nominating directors is made through the Nomination and Remuneration Committee which considers knowledge, skills, experience, leadership, broad vision, and moral integrity. Additionally, the NRC ensured that such persons demonstrate honesty and the ability to dedicate sufficient time to serve in the best interests of the Company. Board diversity and the Board Skill Matrix were also considered to establish the desired qualifications, focusing on essential skills that might be lacking. The aim is to find persons with the right qualifications aligned with the Company’s board structure and business strategy. The Director Pool might also be utilized as a resource in the search for new board members. The NRC, excluding the committee members who may have a conflict of interest, recommended that the Board of Directors nominate all of the three retiring directors for another term of directorships.

Moreover, shareholders were given the opportunity to nominate candidates for the Board’s consideration according to the nomination process in advance, under disclosed conditions. However, no shareholders expressed an intention to make any nominations.

## **Remuneration**

The NRC determined the remuneration with consideration for the Company's long-term strategy and goals, as well as each director's experience, duties, roles, responsibilities, and the anticipated contributions to the Company. When benchmarked against accepted standards within the same industry, the directors' remuneration was deemed appropriate. Consequently, it was recommended to the Board of Directors to propose to the AGM that the remuneration remain at the existing rate, which was subsequently approved by the AGM.

## **The Charter of the Nomination and Remuneration Committee**

The NRC has reviewed its Charter to ensure compliance with the relevant regulations and the corporate governance policy.

## **Self-evaluation**

The NRC conducted its annual self-evaluation (as a whole), results of which was reported to the Board of Directors as well as disclosed in the Company's annual report (Form 56-1 One Report).

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

# 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 2024 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 Company's annual report (Form 56-1 One Report) for the fiscal year 2024.

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 is 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 2024 ended December 31, 2024, which were jointly audited by the Audit Committee, Management, and the auditor, 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 2024, 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 material accounting policy information, and have also audited the separate financial statements of Business Alignment Public Company Limited for the same period (collectively "the financial statements").

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 2024, 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: 24 February 2025

## Statements of financial position

Business Alignment Public Company Limited and its subsidiary

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	397,144,586	624,444,812	369,900,782	580,495,298
Trade and other receivables	8	346,866,772	190,132,482	329,387,027	174,636,343
Current portion of financial lease receivable	9	7,829,040	-	7,829,040	-
Inventories	10	206,477,377	84,124,195	205,213,678	83,107,241
Other current financial assets	11	17,554,809	38,039,719	17,554,809	38,039,719
Other current assets	12	90,944,981	100,728,255	87,764,531	98,311,343
<b>Total current assets</b>		<u>1,066,817,565</u>	<u>1,037,469,463</u>	<u>1,017,649,867</u>	<u>974,589,944</u>
<b>Non-current assets</b>					
Restricted bank deposits	13	116,051,174	80,790,540	115,640,601	80,790,540
Financial lease receivable - net of current portion	9	91,839,101	-	91,839,101	-
Investment in subsidiary	14	-	-	258,900,000	258,900,000
Property, plant and equipment	15	328,919,194	338,235,478	17,184,213	18,993,463
Right-of-use assets	19	-	1,635,411	-	1,383,699
Intangible assets	16	2,224,438	2,187,251	2,151,859	2,083,063
Deferred tax assets	29	17,755,469	15,885,299	16,251,451	14,205,028
Other non-current assets		928,500	1,338,500	444,500	444,500
<b>Total non-current assets</b>		<u>557,717,876</u>	<u>440,072,479</u>	<u>502,411,725</u>	<u>376,800,293</u>
<b>Total assets</b>		<u>1,624,535,441</u>	<u>1,477,541,942</u>	<u>1,520,061,592</u>	<u>1,351,390,237</u>

The accompanying notes are an integral part of the financial statements.

## Statements of financial position (continued)

Business Alignment Public Company Limited and its subsidiary

As at 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Current trade and other payables	17	346,980,995	305,572,743	333,410,126	286,734,820
Current portion of long-term loans	18	24,289,444	13,881,176	8,727,832	-
Current portion of lease liabilities	19	-	1,854,446	-	1,572,916
Income tax payable		40,546,181	25,182,488	40,546,181	25,182,488
Short-term provisions	21	12,966,925	11,053,234	12,966,925	11,053,234
Other current financial liabilities	37.1	11,997,964	3,346,208	11,997,964	3,346,208
<b>Total current liabilities</b>		<b>436,781,509</b>	<b>360,890,295</b>	<b>407,649,028</b>	<b>327,889,666</b>
<b>Non-current liabilities</b>					
Non-current trade and other payables	17	89,445,986	102,271,300	89,445,986	102,271,300
Long-term loans, net of current portion	18	134,309,569	96,068,185	60,561,838	-
Provision for long-term employee benefits	20	12,606,543	11,174,742	10,040,387	9,072,246
Long-term provisions	21	3,987,189	4,897,238	3,987,189	4,897,238
<b>Total non-current liabilities</b>		<b>240,349,287</b>	<b>214,411,465</b>	<b>164,035,400</b>	<b>116,240,784</b>
<b>Total liabilities</b>		<b>677,130,796</b>	<b>575,301,760</b>	<b>571,684,428</b>	<b>444,130,450</b>

The accompanying notes are an integral part of the financial statements.

## Statements of financial position (continued)

Business Alignment Public Company Limited and its subsidiary

As at 31 December 2024

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Liabilities and shareholders' equity (continued)</b>					
<b>Shareholders' equity</b>					
Share capital					
Registered					
660,000,000 ordinary shares of Baht 0.5 each		330,000,000	330,000,000	330,000,000	330,000,000
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	22	225,540,721	225,540,721	225,540,721	225,540,721
Deficit on changes in percentage					
of shareholding in subsidiary		(7,745,877)	(7,745,877)	-	-
Retained earnings					
Appropriated - statutory reserve	23	33,000,000	33,000,000	33,000,000	33,000,000
Unappropriated		327,140,880	282,884,034	389,468,948	348,351,571
Equity attributable to owners of the Company		878,303,219	834,046,373	948,377,164	907,259,787
Non-controlling interests of the subsidiary		69,101,426	68,193,809	-	-
<b>Total shareholders' equity</b>		<u>947,404,645</u>	<u>902,240,182</u>	<u>948,377,164</u>	<u>907,259,787</u>
<b>Total liabilities and shareholders' equity</b>		<u>1,624,535,441</u>	<u>1,477,541,942</u>	<u>1,520,061,592</u>	<u>1,351,390,237</u>

The accompanying notes are an integral part of the financial statements.

## Statements of comprehensive income

Business Alignment Public Company Limited and its subsidiary

For the year ended 31 December 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenue from sales of goods	24	1,049,212,779	1,148,654,442	1,049,352,966	1,148,654,442
Revenue from rendering of services	24	545,407,888	437,294,320	551,071,892	442,777,277
Construction revenue	24	13,395,033	-	13,395,033	-
Revenue from hospital operations	24, 30	106,163,995	103,025,196	-	-
Gain on exchange		-	3,734,563	-	3,734,563
Other income		2,979,804	2,974,180	2,844,129	2,825,028
<b>Total revenues</b>		<b>1,717,159,499</b>	<b>1,695,682,701</b>	<b>1,616,664,020</b>	<b>1,597,991,310</b>
<b>Expenses</b>					
	28				
Cost of sales of goods		800,121,787	911,598,929	800,121,787	911,598,929
Cost of rendering of services		454,399,077	367,907,962	454,399,077	367,907,962
Cost of construction		9,723,667	-	9,723,667	-
Cost of hospital operations		77,111,462	76,315,986	-	-
Loss on exchange		3,659,124	-	3,659,124	-
Selling and distribution expenses		27,974,759	23,568,385	27,960,732	23,310,990
Administrative expenses		60,316,998	55,508,161	47,216,724	42,834,474
<b>Total expenses</b>		<b>1,433,306,874</b>	<b>1,434,899,423</b>	<b>1,343,081,111</b>	<b>1,345,652,355</b>
<b>Operating profit</b>		<b>283,852,625</b>	<b>260,783,278</b>	<b>273,582,909</b>	<b>252,338,955</b>
Finance income	26	7,880,750	2,717,950	7,686,343	2,526,789
Finance cost	27	(11,870,841)	(11,785,850)	(5,485,128)	(5,187,335)
<b>Profit before income tax expenses</b>		<b>279,862,534</b>	<b>251,715,378</b>	<b>275,784,124</b>	<b>249,678,409</b>
Income tax expenses	29	(54,804,420)	(50,188,682)	(54,628,168)	(49,966,517)
<b>Profit for the year</b>		<b>225,058,114</b>	<b>201,526,696</b>	<b>221,155,956</b>	<b>199,711,892</b>
<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		326,846	229,267	181,918	287,481
<b>Other comprehensive income for the year</b>		<b>326,846</b>	<b>229,267</b>	<b>181,918</b>	<b>287,481</b>
<b>Total comprehensive income for the year</b>		<b>225,384,960</b>	<b>201,755,963</b>	<b>221,337,874</b>	<b>199,999,373</b>

The accompanying notes are an integral part of the financial statements.

## Statements of comprehensive income (continued)

Business Alignment Public Company Limited and its subsidiary

For the year ended 31 December 2024

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>		<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Profit attributable to:</b>					
	Equity holders of the Company	224,188,219	201,181,282	<u>221,155,956</u>	<u>199,711,892</u>
	Non-controlling interests of the subsidiaries	<u>869,895</u>	<u>345,414</u>		
		<u>225,058,114</u>	<u>201,526,696</u>		
<b>Total comprehensive income attributable to:</b>					
	Equity holders of the Company	224,477,343	201,425,701	<u>221,337,874</u>	<u>199,999,373</u>
	Non-controlling interests of the subsidiaries	<u>907,617</u>	<u>330,262</u>		
		<u>225,384,960</u>	<u>201,755,963</u>		
<b>Earnings per share</b>					
		31			
	Basic earnings per share				
	Profit attributable to equity holders of the Company	<u>0.37</u>	<u>0.33</u>	<u>0.37</u>	<u>0.33</u>

The accompanying notes are an integral part of the financial statements.



## Statements of changes in shareholders' equity

Business Alignment Public Company Limited and its subsidiary

For the year ended 31 December 2024

(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	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	67,863,547	820,631,217
Profit for the year	-	-	-	201,181,282	-	-	345,414	201,526,696
Other comprehensive income for the year	-	-	-	244,419	-	-	(15,152)	229,267
Total comprehensive income for the year	-	-	-	201,425,701	-	-	330,262	201,755,963
Transfer to statutory reserve	-	-	-	(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>(7,745,877)</b>	<b>282,864,034</b>	<b>33,000,000</b>	<b>289,124</b>	<b>68,193,809</b>	<b>902,240,182</b>
<b>Balance as at 1 January 2024</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>(7,745,877)</b>	<b>282,864,034</b>	<b>33,000,000</b>	<b>289,124</b>	<b>68,193,809</b>	<b>902,240,182</b>
Profit for the year	-	-	-	224,188,219	-	-	869,895	225,058,114
Other comprehensive income for the year	-	-	-	289,124	-	-	37,722	326,846
Total comprehensive income for the year	-	-	-	224,477,343	-	-	907,617	225,384,960
Dividend paid (Note 34)	-	-	-	(180,220,497)	-	-	-	(180,220,497)
<b>Balance as at 31 December 2024</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>(7,745,877)</b>	<b>327,140,880</b>	<b>33,000,000</b>	<b>878,303,219</b>	<b>69,101,426</b>	<b>947,404,645</b>

The accompanying notes are an integral part of the financial statements.

## Statements of changes in shareholders' equity (continued)

Business Alignment Public Company Limited and its subsidiary

For the year ended 31 December 2024

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings Unappropriated	
<b>Balance as at 1 January 2023</b>	300,367,495	225,540,721	28,850,414	272,648,782	827,407,412
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	-	-	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>
<b>Balance as at 1 January 2024</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>
Profit for the year	-	-	-	221,155,956	221,155,956
Other comprehensive income for the year	-	-	-	181,918	181,918
Total comprehensive income for the year	-	-	-	221,337,874	221,337,874
Dividend paid (Note 34)	-	-	-	(180,220,497)	(180,220,497)
<b>Balance as at 31 December 2024</b>	<b>300,367,495</b>	<b>225,540,721</b>	<b>33,000,000</b>	<b>389,468,948</b>	<b>948,377,164</b>

(Unit: Baht)

The accompanying notes are an integral part of the financial statements.

## Statements of cash flows

Business Alignment Public Company Limited and its subsidiary

For the year ended 31 December 2024

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities</b>				
Profit before tax	279,862,534	251,715,378	275,784,124	249,678,409
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	19,812,689	20,376,845	3,719,491	4,166,222
Write-down (reversal) of inventory to net realisable value	(1,349,110)	1,859,201	(1,349,110)	1,806,404
Gain on sales of equipment	-	(31,020)	-	(31,020)
Write-off of equipment and computer software	17,553	34,291	17,553	34,291
Provision for long-term employee benefits	1,804,127	1,641,449	1,195,539	1,137,149
Unrealised (gain) loss on exchange rate	110,460	(404,062)	110,460	(404,062)
(Gain) loss on change in value of derivative	8,669,776	(6,629,846)	8,669,776	(6,629,846)
Finance income	(7,880,750)	(2,717,950)	(7,686,343)	(2,526,789)
Finance cost	11,870,841	11,785,850	5,485,128	5,187,335
Profit from operating activities before changes in operating assets and liabilities	312,918,120	277,630,136	285,946,618	252,418,093
Operating assets (increase) decrease				
Trade and other receivables	(156,991,684)	41,525,927	(155,008,078)	34,596,892
Financial lease receivable	(99,668,141)	-	(99,668,141)	-
Inventories	(121,004,072)	230,096,637	(120,757,327)	229,835,778
Other current assets	10,503,891	43,943,457	10,546,812	45,002,592
Other non-current assets	410,000	(10,000)	-	-
Operating liabilities increase (decrease)				
Trade and other payables	31,152,436	98,708,381	36,104,933	91,971,866
Provision	1,003,642	1,398,800	1,003,642	1,398,800
Cash flows from (used in) operating activities	(21,675,808)	693,293,338	(41,831,541)	655,224,021
Cash paid for corporate income tax	(42,076,993)	(46,141,655)	(41,356,377)	(45,328,077)
<b>Net cash flows from (used in) operating activities</b>	<b>(63,752,801)</b>	<b>647,151,683</b>	<b>(83,187,918)</b>	<b>609,895,944</b>

The accompanying notes are an integral part of the financial statements.

## Statements of cash flows (continued)

Business Alignment Public Company Limited and its subsidiary

For the year ended 31 December 2024

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Cash flows from investing activities</b>					
Cash received from interest income		7,887,818	2,427,446	7,693,411	2,236,285
(Increase) decrease in fixed deposits		20,466,889	(6,302,232)	20,466,889	(6,302,232)
Increase in restricted bank deposits		(35,260,634)	(847,001)	(34,850,061)	(847,001)
Acquisitions of equipment and intangible assets		(8,915,733)	(8,695,207)	(612,891)	(1,631,731)
Proceeds from sales of equipment		-	79,439	-	79,439
<b>Net cash flows used in investing activities</b>		<u>(15,821,660)</u>	<u>(13,337,555)</u>	<u>(7,302,652)</u>	<u>(6,465,240)</u>
<b>Cash flows from financing activities</b>					
Cash paid for interest expenses		(12,194,750)	(11,966,705)	(5,494,480)	(5,330,123)
Decrease in short-term loans					
from financial institutions		-	(91,488,230)	-	(91,488,230)
Cash received from long-term loan	18	69,308,840	-	69,308,840	-
Repayment of long-term loans	18	(20,659,188)	(17,567,056)	(19,170)	-
Cash paid for principal portion of lease liabilities		(1,854,447)	(1,790,828)	(1,572,916)	(1,468,102)
Dividend paid		(180,220,497)	(120,146,998)	(180,220,497)	(120,146,998)
<b>Net cash flows used in financing activities</b>		<u>(145,620,042)</u>	<u>(242,959,817)</u>	<u>(117,998,223)</u>	<u>(218,433,453)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>					
		(225,194,503)	390,854,311	(208,488,793)	384,997,251
Net foreign exchange difference		(2,105,723)	(117,440)	(2,105,723)	(117,440)
Cash and cash equivalents at beginning of year		624,444,812	233,707,941	580,495,298	195,615,487
<b>Cash and cash equivalents at end of year</b>		<u>397,144,586</u>	<u>624,444,812</u>	<u>369,900,782</u>	<u>580,495,298</u>

The accompanying notes are an integral part of the financial statements.

## Notes to financial statements

Business Alignment Public Company Limited and its subsidiary

For the year ended 31 December 2024

### 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.

### 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	
			2024	2023
			Percent	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 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 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 2025**

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 2025. 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. 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 construction contracts*

The Group recognises construction revenue over time where the stage of completion is measured using an input method, based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs at completion.

The likelihood of contract variations, claims and liquidated damages, delays in delivery or contractual penalties is taken into account in determining revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

#### *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.

### **The Group as a lessor**

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

#### **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	financial statements	financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</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	-	-	5,804	5,483	Contract price

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	
<b>Transactions with related person or other companies</b>					
Office rental	1,626	1,626	1,626	1,626	Contract price
Other rental expense	806	937	-	-	Market price
Cost of foods	107	610	-	-	Market price
Cost of laundry	357	383	-	-	Contract price
Doctor fee	319	372	-	-	Market price
Software maintenance fee	982	959	-	-	Contract price

As at 31 December 2024 and 2023, the balances of the accounts between the Group and those related companies are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Trade and other receivables - related parties (Note 8)</b>				
Subsidiary	-	-	1,697	272
Related companies	76	95	-	-
Total trade and other receivables - related parties	<u>76</u>	<u>95</u>	<u>1,697</u>	<u>272</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	356	429	62	62
Total trade and other payable - related party	<u>356</u>	<u>429</u>	<u>62</u>	<u>62</u>
<b>Liabilities under lease agreements - related party</b>				
Related company	-	1,573	-	1,573
Total liabilities under lease agreements - related party	<u>-</u>	<u>1,573</u>	<u>-</u>	<u>1,573</u>

### Directors and management's benefits

During the years ended 31 December 2024 and 2023, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Short-term employee benefits	22,645	21,170	19,645	18,170
Post-employment benefits	1,709	1,687	1,387	1,386
Total	<u>24,354</u>	<u>22,857</u>	<u>21,032</u>	<u>19,556</u>

### Significant agreement with related party

On 15 June 2024, 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 2027. 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 35.2 to the financial statements.

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash	477	361	29	34
Bank deposits	396,668	624,084	369,872	580,461
Total	<u>397,145</u>	<u>624,445</u>	<u>369,901</u>	<u>580,495</u>

As at 31 December 2024, bank deposits carried interests between 0.15 and 1.90 percent per annum (2023: between 0.15 and 1.00 percent per annum).

## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Trade receivables - unrelated parties</b>				
Aged on the basis of due dates				
Not yet due	256,783	117,014	249,067	107,267
Past due				
Up to 3 months	14,250	15,396	11,023	12,397
3 - 6 months	2,967	2,836	-	683
6 - 12 months	4,543	288	-	-
Total	278,543	135,534	260,090	120,347
Construction contracts	9,262	-	9,262	-
Unbilled receivables	58,383	53,825	57,898	53,511
Total trade receivable - unrelated parties	346,188	189,359	327,250	173,858
<b>Trade receivables - related parties</b>				
Aged on the basis of due dates				
Not yet due	-	-	1,697	244
Total trade receivables - related parties	-	-	1,697	244
Total trade receivables	346,188	189,359	328,947	174,102
<b>Other receivables</b>				
Other receivables - related parties	76	95	-	28
Others	603	678	440	506
Total other receivables	679	773	440	534
<b>Total trade and other receivables</b>	<u>346,867</u>	<u>190,132</u>	<u>329,387</u>	<u>174,636</u>

The normal credit term is 30 to 90 days.

## 9. Financial lease receivables

Finance lease receivables as at 31 December 2024 and 2023, consisted of the following:

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2024</u>	<u>2023</u>
Finance lease receivables (contractual value)	131,196	-
Less: Unearned interest income	(31,528)	-
Finance lease receivables - net	99,668	-
Less: Portion due within one year	(7,829)	-
Finance lease receivables - net of current portion	<u>91,839</u>	<u>-</u>

Current portion of finance lease receivables consists of the following:

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2024</u>	<u>2023</u>
Current portion of finance lease receivables (contractual value)	13,500	-
Less: Unearned interest income	(5,671)	-
Current portion of finance lease receivables	<u>7,829</u>	<u>-</u>

The outstanding balances of financial lease receivables as at 31 December 2024 and 2023 are aged, based on due date, as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>2024</u>	<u>2023</u>
<i>Aged on the basis of due dates</i>		
Not yet due	99,668	-
Total finance lease receivables	<u>99,668</u>	<u>-</u>

## 10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Write-down cost to net realisable value		Inventories - net	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Medical equipment and work in progress	203,423	80,116	-	-	203,423	80,116
Spare parts and supplies	2,248	4,797	(457)	(1,806)	1,791	2,991
Medicine, medical supplies and other supplies	1,316	1,070	(53)	(53)	1,263	1,017
<b>Total</b>	<b>206,987</b>	<b>85,983</b>	<b>(510)</b>	<b>(1,859)</b>	<b>206,477</b>	<b>84,124</b>

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Write-down cost to net realisable value		Inventories - net	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Medical equipment and work in progress	203,423	80,116	-	-	203,423	80,116
Spare parts and supplies	2,248	4,797	(457)	(1,806)	1,791	2,991
<b>Total</b>	<b>205,671</b>	<b>84,913</b>	<b>(457)</b>	<b>(1,806)</b>	<b>205,214</b>	<b>83,107</b>

During the current year, the Group reversed the write-down of cost of inventories by Baht 1.3 million (Separate financial statements: Baht 1.3 million), and reduced the amount of inventories recognised as expense during the year. (2023: the Group wrote-down 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).

## 11. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<i>Debt instruments at amortised cost</i>				
Fixed deposits	17,428	37,895	17,428	37,895
Total debt instruments at amortised cost	17,428	37,895	17,428	37,895
<i>Financial assets at FVTPL</i>				
Derivative assets	127	145	127	145
Total financial assets at FVTPL	127	145	127	145
Total other current financial assets	17,555	38,040	17,555	38,040

As at 31 December 2024, fixed deposits carry interests 1.00 percent per annum (2023: 1.00 percent per annum).

## 12. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Prepaid service cost	66,214	69,979	66,214	69,979
Advance for purchase of inventories	10,788	12,539	10,788	12,539
Input tax refundable	4,691	11,184	4,691	11,184
Prepaid expenses	4,076	2,702	3,473	2,142
Undue input tax	2,064	2,464	2,064	2,464
Others	3,112	1,860	535	3
Total other current assets	90,945	100,728	87,765	98,311

## 13. Restricted bank deposits

These represent fixed deposits pledged by the Group with the banks to secure credit facilities and letter of guarantees obtained from the banks.



## 14. Investment in subsidiary

### 14.1 Details of investment in subsidiary as presented in separate financial statements

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
			(%)	(%)		
Cancer Alliance Company Limited	350,000	350,000	73.97	73.97	258,900	258,900

### 14.2 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(%)	(%)				
Cancer Alliance Company Limited	26.03	26.03	69	68	0.9	0.3

### 14.3 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>2024</u>	<u>2023</u>
Current assets	51	63
Non-current assets	321	330
Current liabilities	31	33
Non-current liabilities	76	98

Summarised information about comprehensive income

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	Cancer Alliance Company Limited	
	<u>2024</u>	<u>2023</u>
Revenue	106	103
Profit	3	1
Total comprehensive profit	3	1

Summarised information about cash flows

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	Cancer Alliance Company Limited	
	<u>2024</u>	<u>2023</u>
Cash flow from operating activities	19	37
Cash flow used in investing activities	(9)	(7)
Cash flow used in financing activities	(27)	(24)
Net increase (decrease) in cash and cash equivalents	<u>(17)</u>	<u>6</u>

## 15. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2024 and 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land	Buildings and building improvements	Medical equipment	Tools, furniture and office	Vehicles	
				equipment		
<b>Cost</b>						
1 January 2023	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
Additions	-	2,703	5,600	374	-	8,677
Write-off	-	-	-	(448)	-	(448)
31 December 2024	60,480	242,079	113,495	15,747	2,666	434,467
<b>Accumulated depreciation</b>						
1 January 2023	-	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
Depreciation for the year	-	8,119	8,171	1,211	478	17,979
Accumulated depreciation on write-off	-	-	-	(434)	-	(434)
31 December 2024	-	47,605	41,347	14,061	2,535	105,548
<b>Net book value</b>						
31 December 2023	60,480	199,890	74,719	2,537	609	338,235
31 December 2024	60,480	194,474	72,148	1,686	131	328,919
<b>Depreciation for the year</b>						
2023 (Baht 15.8 million included in cost of hospital operations, and the balance in administrative expenses)						18,529
2024 (Baht 15.9 million included in cost of hospital operations, and the balance in administrative expenses)						17,979

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings and building improvement	Tools, furniture and office equipment	Total
<b>Cost</b>			
1 January 2023	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
Additions	-	374	374
Write-off	-	(448)	(448)
31 December 2024	29,506	7,999	37,505
<b>Accumulated depreciation</b>			
1 January 2023	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
Depreciation for the year	1,696	473	2,169
Accumulated depreciation on write-off	-	(434)	(434)
31 December 2024	13,204	7,117	20,321
<b>Net book value</b>			
31 December 2023	17,998	995	18,993
31 December 2024	16,302	882	17,184
<b>Depreciation for the year</b>			
2023 (included in administrative expenses)			2,655
2024 (included in administrative expenses)			2,169

As at 31 December 2024, 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 16 million (2023: Baht 4 million) (Separate financial statements: Baht 7 million, 2023: Baht 3 million).

The subsidiary company has mortgaged its property, plant and equipment amounting to approximately Baht 310 million (2023: Baht 320 million) as collateral against credit facilities received from financial institutions.

## 16. Intangible assets

The net book value of intangible assets, which is computer software, as at 31 December 2024 and 2023 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cost	2,877	2,658	2,695	2,476
Less: Accumulated amortisation	<u>(653)</u>	<u>(471)</u>	<u>(543)</u>	<u>(393)</u>
Net book value	<u>2,224</u>	<u>2,187</u>	<u>2,152</u>	<u>2,083</u>

A reconciliation of the net book value of intangible assets for the years 2024 and 2023 is presented below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net book value at beginning of year	2,187	1,014	2,083	878
Acquisition	239	1,368	239	1,368
Amortisation for the year	(199)	(161)	(167)	(129)
Net book value of written off	<u>(3)</u>	<u>(34)</u>	<u>(3)</u>	<u>(34)</u>
Net book value at end of year	<u>2,224</u>	<u>2,187</u>	<u>2,152</u>	<u>2,083</u>

## 17. Trade and other payables

### *Current trade and other payables*

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Trade payables - unrelated parties	123,142	83,694	113,584	73,112
Trade payables - related parties	37	127	-	-
<b>Total trade payables</b>	<b>123,179</b>	<b>83,821</b>	<b>113,584</b>	<b>73,112</b>
Advances from customers and unearned revenue - unrelated parties	204,983	200,914	204,644	200,693
Other payables - related parties	319	302	62	62
Accrued expenses	6,455	5,179	3,767	2,773
Others	12,045	15,357	11,353	10,095
<b>Total other payables</b>	<b>223,802</b>	<b>221,752</b>	<b>219,826</b>	<b>213,623</b>
<b>Total current trade and other payables</b>	<b>346,981</b>	<b>305,573</b>	<b>333,410</b>	<b>286,735</b>

### *Non-current trade and other payables*

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Long-term trade payables</b>				
Non-current unearned revenue	89,446	102,271	89,446	102,271
<b>Total non-current trade and other payables</b>	<b>89,446</b>	<b>102,271</b>	<b>89,446</b>	<b>102,271</b>

Long-term trade payables are all future payments discounted using effective interest rate at 3% per annum.

## 18. Long-term loans

(Unit: Thousand Baht)

Credit facilities (million Baht)	Period of loan agreement		Repayment of principal (Million Baht per month)	Interest rate (percent per annum)	Consolidated financial statements		Separate financial statements	
	Start	End			2024	2023	2024	2023
69	20 November 2024	20 November 2031	0.97	4.53%	69,290	-	69,290	-
160	12 August 2021	11 July 2023	1.35	MLR - 2.25%	41,893	50,964	-	-
	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%	47,416	58,985	-	-
	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					158,599	109,949	69,290	-
Less: Current portion					(24,289)	(13,881)	(8,728)	-
Long-term loans - net of current portion					134,310	96,068	60,562	-

Movements of the long-term loans account during the years ended 31 December 2024 and 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Beginning balance	109,949	127,516	-	-
Additional borrowing	69,309	-	69,309	-
Repayments	(20,659)	(17,567)	(19)	-
Ending balance	158,599	109,949	69,290	-

### *The subsidiary's loan*

The subsidiary's loans are secured by the mortgage of the subsidiary's property, plant, and medical equipment, and guaranteed by the Company.

Under loan agreements of its subsidiary, 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 2024, the long-term credit facilities of the subsidiary which have not been drawn down amounted to Baht 2.4 million (2023: 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 2024 and 2023 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Medical		Total
	Office building	equipments	
1 January 2023	2,767	557	3,324
Depreciation for the year	(1,383)	(306)	(1,689)
31 December 2023	1,384	251	1,635
Depreciation for the year	(1,384)	(251)	(1,635)
31 December 2024	-	-	-

(Unit: Thousand Baht)

	Separate financial statements
	Office building
	1 January 2023
Depreciation for the year	(1,383)
31 December 2023	1,384
Depreciation for the year	(1,384)
31 December 2024	-



## b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Lease payments	-	1,922	-	1,634
Less: Deferred interest expenses	-	(68)	-	(61)
Total	-	1,854	-	1,573
Less: Portion due within one year	-	(1,854)	-	(1,573)
Lease liabilities - net of current portion	-	-	-	-

Movements of the lease liabilities account during the years ended 31 December 2024 and 2023 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Balance at beginning of year	1,854	3,645	1,573	3,041
Accretion of interest	58	180	53	158
Repayments	(1,912)	(1,971)	(1,626)	(1,626)
Balance at end of year	-	1,854	-	1,573

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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Depreciation expense of right-of-use assets	1,635	1,689	1,384	1,383
Interest expense on lease liabilities	58	180	53	158
Expense relating to short-term leases	531	490	531	490
Expense relating to leases of low-value assets	56	56	56	56

## d) Others

The Group had total cash outflows for leases for the year ended 31 December 2024 of Baht 2.5 million (2023: Baht 2.5 million) (Separate financial statements: Baht 2.2 million, 2023: Baht 2.2 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Provision for long-term employee benefits at beginning of year</b>	11,175	9,834	9,072	8,294
Included in profit or loss:				
Current service cost	1,494	1,360	942	898
Interest cost	310	281	253	239
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	16	21	-	-
Financial assumptions changes	286	28	249	26
Experience adjustments	(674)	(349)	(476)	(385)
<b>Provision for long-term employee benefits at end of year</b>	<u>12,607</u>	<u>11,175</u>	<u>10,040</u>	<u>9,072</u>

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit is 9 years (2023: 10 years) (Separate financial statements: 10 years, 2023: 11 years).

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)			
	Consolidated financial statements		Separate financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Discount rate	2.28 - 2.3	2.7 - 2.8	2.3	2.8
Salary increase rate	2.7 - 5.4	2.7 - 5.6	4.9 - 5.4	5.0 - 5.6
Turnover rate	0.0 - 15.0	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 2024 and 2023 are summarised below.

	(Unit: Million Baht)			
	2024			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(0.80)	0.90	(0.72)	0.81
Salary increase rate	0.80	(0.73)	0.73	(0.66)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(0.27)	0.30	(0.22)	0.25

(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)	0.22

## 21. Provisions

	(Unit: Thousand Baht)
	Consolidated financial statements and Separate financial statements
	Maintenance warranties
1 January 2023	14,552
Increase during the year	8,400
Utilised	(4,911)
Reversal of provisions	(2,091)
31 December 2023	15,950
Increase during the year	7,400
Utilised	(3,733)
Reversal of provisions	(2,663)
31 December 2024	16,954

	(Unit: Thousand Baht)	
	Consolidated financial statements and Separate financial statements	
	2024	2023
Current	12,967	11,053
Non-current	3,987	4,897
	16,954	15,950

### 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 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.

## 23. Statutory reserve

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. At present, the statutory reserve has fully been set aside.

## 24. Revenue from contracts with customers

### 24.1 Disaggregated revenue information

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Type of goods or service:</b>				
Sales of goods	1,049,213	1,148,655	1,049,353	1,148,655
Rendering of services	545,408	437,294	551,072	442,777
Construction	13,395	-	13,395	-
Hospital operations	106,164	103,025	-	-
Total revenue from contracts with customers	<u>1,714,180</u>	<u>1,688,974</u>	<u>1,613,820</u>	<u>1,591,432</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	1,161,898	1,256,007	1,055,874	1,152,982
Revenue recognised over time	<u>552,282</u>	<u>432,967</u>	<u>557,946</u>	<u>438,450</u>
Total revenue from contracts with customers	<u>1,714,180</u>	<u>1,688,974</u>	<u>1,613,820</u>	<u>1,591,432</u>

## 24.2 Revenue recognised in relation to contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenue recognised during the year that was included in contract liabilities at the beginning of the year	145,507	133,219	145,507	133,219

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

As at 31 December 2024, revenue totaling Baht 1,328 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) (2023: Baht 621 million) (Separate financial statements: Baht 1,328 million, 2023: Baht 621 million). The Group expects to satisfy these performance obligations within 1 year.

## 25. Contract balances

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Unbilled receivables (Note 8)	58,383	53,825	57,898	53,511
Unearned revenue (Note 17)	294,429	303,185	294,090	302,964

The balance of unbilled receivables as at 31 December 2024 and 2023, 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Period to expected billing				
In up to 3 months	56,290	52,176	55,805	51,862
In over 3 and up to 12 months	2,093	1,649	2,093	1,649
Total unbilled receivables	<u>58,383</u>	<u>53,825</u>	<u>57,898</u>	<u>53,511</u>

## 26. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Interest income	6,402	2,718	6,207	2,527
Interest income from lease agreements	1,479	-	1,479	-
<b>Total</b>	<b>7,881</b>	<b>2,718</b>	<b>7,686</b>	<b>2,527</b>

## 27. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Interest expenses on loans	6,967	6,608	587	31
Interest expenses on lease liabilities	58	180	52	158
Interest expense on credit facility fees	693	-	693	-
Interest from discounting non-current accounts payable	-	25	-	25
Others	4,153	4,973	4,153	4,973
<b>Total</b>	<b>11,871</b>	<b>11,786</b>	<b>5,485</b>	<b>5,187</b>

## 28. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cost of goods sold	800,122	911,599	800,122	911,599
Cost of service	462,963	377,310	441,582	354,885
Construction cost	9,724	-	9,724	-
Drugs, medical supplies and other materials used	7,258	5,745	-	-
Doctor fee	11,747	11,641	-	-
Salaries and wages and other employee benefits	51,361	47,780	38,591	35,469
Remuneration for directors and executives	24,354	22,857	21,032	19,556
Advertising and promotion expenses	3,760	3,181	3,746	3,153
Rental expense	590	738	587	725
Utility expense	13,959	13,821	749	768
Depreciation and amortisation	19,812	20,377	3,719	4,166

## 29. Income tax

Income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Current income tax:</b>				
Current income tax charge	56,720	51,563	56,720	51,563
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,916)	(1,374)	(2,092)	(1,596)
<b>Income tax expense reported in profit or loss</b>	<u>54,804</u>	<u>50,189</u>	<u>54,628</u>	<u>49,967</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Deferred tax on actuarial gains (loss)	46	72	46	72

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Accounting profit before tax	279,863	251,715	275,784	249,678
Applicable tax rate	Exempt and 20%	Exempt and 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	55,973	50,343	55,157	49,936
Effects of:				
Non-deductible expenses	68	136	79	85
Unused tax loss	(652)	(300)	-	-
Others	(585)	10	(608)	(54)
Total	<u>(1,169)</u>	<u>(154)</u>	<u>(529)</u>	<u>31</u>
Income tax expense reported in profit or loss	<u>54,804</u>	<u>50,189</u>	<u>54,628</u>	<u>49,967</u>

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
<b>Deferred tax assets</b>				
Allowance for diminution in value of inventories	91	362	91	362
Unearned revenue	8,387	7,929	8,387	8,159
Provision for long-term employee benefits	2,271	2,077	2,008	1,814
Other provision	3,391	3,190	3,391	3,190
Unrealised loss from changes in the fair value of foreign exchange forward contracts	2,374	640	2,374	640
Unrealised gain on sales of medical equipment	1,241	1,647	-	-
Others	-	40	-	40
<b>Total</b>	<u>17,755</u>	<u>15,885</u>	<u>16,251</u>	<u>14,205</u>
<b>Deferred tax liabilities - net</b>	<u>17,755</u>	<u>15,885</u>	<u>16,251</u>	<u>14,205</u>

As at 31 December 2024, the subsidiary has unused tax losses totaling Baht 61.8 million (2023: Baht 76.8 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>2024</u>	<u>2023</u>
31 December 2023	15.0	30.0
31 December 2024	41.7	41.7
31 December 2025	2.2	2.2
31 December 2026	2.9	2.9
	<u>61.8</u>	<u>76.8</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 2024 and 2023, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Promoted operations		Non-promoted operations		Total	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Hospital operations	83,456	79,053	22,708	23,972	106,164	103,025

### 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.

### 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 2024 and 2023.

(Unit: Thousand Baht)

	For the year ended 31 December							
	Segment 1		Segment 2		Eliminations		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenues from external customers	1,613,820	1,591,432	106,164	103,025	(5,804)	(5,483)	1,714,180	1,688,974
Depreciation and amortisation	3,719	4,166	16,974	17,092	(881)	(881)	19,812	20,377
Finance income	7,686	2,527	195	191	-	-	7,881	2,718
Finance cost	5,485	5,187	6,386	6,599	-	-	11,871	11,786
Profit before income tax expenses	275,784	249,678	3,267	1,326	811	711	279,862	251,715
Income tax expenses	(54,628)	(49,966)	-	-	(176)	(222)	(54,804)	(50,188)
Profit for the year	221,156	199,712	3,267	1,326	635	489	225,058	201,527
Segment total assets	1,520,062	1,351,390	372,420	393,378	(267,947)	(267,226)	1,624,535	1,477,542
Segment total liabilities	571,684	444,130	107,258	131,557	(1,811)	(385)	677,131	575,302

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 2024, the Group has revenue from six major customers in amount of Baht 1,095 million, arising from sales of medical equipment including installation and related activities segment (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).

### **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 2024 amounting to approximately Baht 1 million (2023: Baht 1 million) were recognised as expenses.

### **34. Dividends**

On 9 April 2024, 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 2023 at the rate of Baht 0.30 per share, totaling Baht 180,220,496.70. The Company paid the dividend on 25 April 2024.

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.

### **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 31 March 2025. 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.
- (3) The subsidiary has entered into long-term service agreements with a company. Under the agreement, the contractual party is obliged to provide the agreed-upon services encompassing the maintenance of X-Ray computer. The subsidiary company has agreed to pay a quarterly service fee as stipulated in the agreement. The term of the agreement is 3 years, and may be terminated early by mutual consent of both parties at least 30 days in advance.

### 35.2 Guarantees

- (1) The Company has guaranteed bank credit facilities of its subsidiary amounting to Baht 277 million (2023: Baht 277 million).
- (2) As at 31 December 2024, the Company has outstanding bank guarantees amounting to approximately Baht 428 million (2023: Baht 247 million) issued by banks on behalf of the Company, in respect of certain performance bonds and others as required in the normal course of business of the Company.

### 36. Fair value hierarchy

As at 31 December 2024 and 2023, 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	
	2024	2023
	Level 2	Level 2
<b>Liabilities measured at fair value</b>		
Derivatives		
Forward contract	12	3

## 37. Financial instruments

### 37.1 Derivatives

	(Unit: Million Baht)	
	Consolidated financial statements/Separate financial statements	
	<u>2024</u>	<u>2023</u>
<b>Derivative liabilities</b>		
Foreign exchange forward contracts	12	3
<b>Total derivative liabilities</b>	<u>12</u>	<u>3</u>

#### **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 long-term loans from financial institutions. 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 2024 and 2023, 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>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<b><u>Financial assets</u></b>				
US dollar	4.65	0.10	33.8296	34.0590
<b><u>Financial liabilities</u></b>				
US dollar	1.76	0.60	34.1461	34.3876
Euro	0.03	0.06	35.7819	38.3988

### 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 2024 and 2023. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Consolidated financial statements/Separate financial statements			
	2024		2023	
	Change in FX rate	Effect on profit before tax	Change in FX rate	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
<b>Financial asset</b>				
US dollar	+5	7,870	+5	169
	-5	(7,870)	- 5	(169)
<b>Financial liability</b>				
US dollar	+5	3,011	+5	1,023
	-5	(3,011)	- 5	(1,023)

As at 31 December 2024 and 2023, the Company had outstanding forward exchange contracts, of which details are presented below.

Currency	Consolidated financial statements/Separate financial statements		
	Amount bought	Maturity date	Contractual exchange rate
	(Million)		(Baht per 1 foreign currency unit)
<b>31 December 2024</b>			
US dollar	6.2	January - April 2025	33.6100 - 36.2200
<b>31 December 2023</b>			
US dollar	5.2	January - June 2024	33.4200 - 34.4900

### **Interest rate risk**

The Group's exposure to interest rate risk relates primarily to its deposits with financial institutions and long-term loans from financial institutions. 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 2024 and 2023, 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 2024						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total
	Within 1 year	1 - 5 years	> 5 years			
<u>Financial assets</u>						
Cash and cash equivalents	20	-	-	360	17	397
Trade and other receivables	-	-	-	-	347	347
Financial lease receivables	8	47	45	-	-	100
Other current financial assets	18	-	-	-	-	18
Restricted bank deposits	100	-	-	16	-	116
	<u>146</u>	<u>47</u>	<u>45</u>	<u>376</u>	<u>364</u>	<u>978</u>
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	-	436	436
Long-term loans	9	50	10	89	-	158
Derivatives liabilities	-	-	-	-	12	12
	<u>9</u>	<u>50</u>	<u>10</u>	<u>89</u>	<u>448</u>	<u>606</u>

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2023					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total
	Within 1 year				
<u>Financial assets</u>					
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
	<u>373</u>	<u>359</u>	<u>201</u>		<u>933</u>
<u>Financial liabilities</u>					
Trade and other payables	-	-		408	408
Long-term loans	-	110			110
Derivatives liabilities	-	-		3	3
	<u>-</u>	<u>110</u>	<u>411</u>		<u>521</u>



(Unit: Million Baht)

Separate financial statements						
As at 31 December 2024						
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total
	Within 1 year	1 - 5 years	> 5 years			
<u>Financial assets</u>						
Cash and cash equivalents	20	-	-	334	16	370
Trade and other receivables	-	-	-	-	329	329
Financial lease receivables	8	47	45	-	-	100
Other current financial assets	18	-	-	-	-	18
Restricted bank deposits	100	-	-	16	-	116
	<u>146</u>	<u>47</u>	<u>45</u>	<u>350</u>	<u>345</u>	<u>933</u>
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	-	423	423
Long-term loans	9	50	10	-	-	69
Derivatives liabilities	-	-	-	-	12	12
	<u>9</u>	<u>50</u>	<u>10</u>	<u>-</u>	<u>435</u>	<u>504</u>

(Unit: Million Baht)

Separate financial statements					
As at 31 December 2023					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total
	Within 1 year				
<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
	<u>373</u>		<u>318</u>	<u>183</u>	<u>874</u>
<u>Financial liabilities</u>					
Trade and other payables	-		-	389	389
Derivatives liabilities	-		-	3	3
	<u>-</u>		<u>-</u>	<u>392</u>	<u>392</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 2024 and 2023 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2024			
	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	346,981	89,446	-	436,427
Long-term loans	31,966	137,181	10,715	179,862
<b>Total non-derivatives</b>	<b>378,947</b>	<b>226,627</b>	<b>10,715</b>	<b>616,289</b>
<b>Derivatives</b>				
Derivative liabilities: net settled	11,998	-	-	11,998
<b>Total derivatives</b>	<b>11,998</b>	<b>-</b>	<b>-</b>	<b>11,998</b>

(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	19,993	107,602	127,595
<b>Total non-derivatives</b>	<b>327,488</b>	<b>209,873</b>	<b>537,361</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 2024			
	Less than			
	1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	333,410	89,446	-	422,856
Long-term loans	11,689	58,444	10,715	80,848
<b>Total non-derivatives</b>	<b>345,099</b>	<b>147,890</b>	<b>10,715</b>	<b>503,704</b>
<b>Derivatives</b>				
Derivative liabilities: net settled	11,998	-	-	11,998
<b>Total derivatives</b>	<b>11,998</b>	<b>-</b>	<b>-</b>	<b>11,998</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>

### 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 2024, the Group's debt-to-equity ratio was 0.71:1 (2023: 0.64:1) and the Company's was 0.60:1 (2023: 0.49:1).

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

- 39.1 On 5 September 2024, the Company's Board of Directors approved a collaboration to establish a company in Cambodia under the name "Business Alignment (Cambodia) Company Limited" to engage in the import, distribution, installation and maintenance of medical equipment in Cambodia. This company has a registered capital of 1,000 shares with a par value of KHR 400,000 per share, totaling KHR 400.0 million, equivalent to approximately USD 0.1 million or Baht 3.5 million. The Company holds a 40% interest in such company. On 10 February 2025, the Company paid the share subscription amounting to USD 40,000, equivalent to approximately Baht 1.4 million.
- 39.2 On 24 February 2025, a meeting of the Company's Board of Directors passed a resolution to propose the payment of a dividend of Baht 0.35 per share or a total of Baht 210.26 million from the Company's 2024 operating result. This will be proposed to the 2025 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 24 February 2025.



Business Alignment

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