



FORM 56-1 ONE REPORT 2021
BUSINESS ALIGNMENT PCL.

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Message from the Chairman

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In addition to aiming to generate income for good returns to the organization, BIZ also passes it back to the stakeholders, helps inspire and improve the quality of life for cancer patients in every aspect.

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The year 2021 will be a record of the company's history. Business Alignment Public Company Limited ("BIZ") marked it as a year of pride that we can earn more than two billion baht and profits jumped to a record of more than 423 million baht amid the unfavourable economic conditions from the severe impact of the coronavirus disease 2019 (Covid-19) epidemic around the world making businesses in various industries such as manufacturing, service, tourism severely affected for more than 2 years and BIZ itself is classified as a large medical device consumer product also faces many challenges as well: both projects with an unprecedented number of problems and obstacles from the longer import period and in many cases, difficult to control due to problems in the international shipping sector. But, we have taken strong action in every possible way for various projects to be able to deliver the work promptly and can support the hospital to be able to provide the service to patients according to the intended schedule until reaching the goal of creating good returns for shareholders beautifully.

I would like to congratulate the management team and all staff of BIZ who have joined together in creating the record for the highest profit this time, and we would like to express our appreciation for maintaining the corporate governance rating which is assessed by the Thai Institute of Directors Association (IOD) at the Excellent level. I am confident that the BIZ team has vision, determination and intends to supply and deliver good value and quality products with modern technology sustainably forever.

In addition to aiming to generate income for good returns to the organization, BIZ also passes it back to the stakeholders, helps inspire and improve the quality of life for cancer patients in every aspect. In 2021, the focus is on the mental health problems of patients due to physical illness by forwarding "Care of Mind Art Set" that BIZ operates a project with Art of Life Social Enterprise Company Limited ("Art for Cancer") and with professional art therapists for the hope of helping to take care of the mental state of the patient by forwarding the art set to take care of the mental health of the patients to various hospitals in Bangkok and perimeter. The hospitals are very pleased and ready to be a medium to pass on these good wishes to patients who need the aforementioned care arts kit.

Finally, on behalf of the board of directors of Business Alliance Public Company Limited, I would like to thank the shareholders and stakeholders. All groups that have always trusted and supported the company, the board of directors, the management team and employees in their intention to perform their duties in managing risks and dealing with this crisis with fully taking into account the benefits of the stakeholders, which leads to the sustainability of the organisation.



Mr. Woodtipong Moleechad
Chairman of the Board

Message from Chief Executive Officer

“

The company has incorporated the concept of Sustainable Development as part of its business operations by focusing on the procurement of materials and equipment involved in the installation process that is environmentally friendly and affects stakeholders to a minimum.

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The company has stepped through the year 2021 steadily and it's another year that Thailand still has to live with the epidemic of the coronavirus 2019 (Covid-19) and is the year that many business sectors have been continuously affected by the epidemic. Some businesses have to adapt, adjusting new business models to accommodate future changes. Business Alliance Public Company Limited is no exception affected by the ongoing outbreak, resulting in the delivery of large projects to make Thailand the first country in ASEAN to provide proton cancer treatment from 2020, the company has been extended the delivery contract until the company can complete the delivery of the project in the year 2021, during the difficult work due to the 2019 coronavirus pandemic, which is a great pride for the company, executives, employees and all involved. It is the first project in Thailand and continues to be the first project in ASEAN to provide proton therapy for cancer patients.

Let me pass on this pride and joy to all shareholders who support our company to operate in accordance with the company's vision which is "to be a leader in distribution as well as providing medical and health services, especially in the field of treatment and prevention of cancer so that people have access to modern technology and are on par with developed countries."

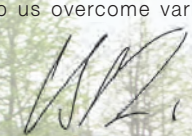
The company is ready to deal with and adapt to any situation that may arise with cooperation from the board of directors, executives and employees of the company, which are important factors that will enable the company to operate its business stably, and I would like to ensure that the company will manage its finances with caution and always effective to maintain liquidity and ready to enhance the potential for growth in any situation. **The company has incorporated the concept of Sustainable Development as part of its business operations by focusing on the procurement of materials and equipment involved in the installation process that is environmentally friendly and affects stakeholders to a minimum.** Furthermore, the company also focuses on economic energy consumption in the company's office and the installation site. The company believes that business operations that are combined with the concept of sustainable development will be a factor that helps the company to have better business competitiveness and will enable the company to grow stably and sustainably.

In the business of specialized cancer hospitals operated by a subsidiary (Cancer Alliance Co., Ltd.) ("CAH") in the past year, the responses appeared to be preferable, including opening the department "Medical Cannabis" to support patients who wish to combine medical cannabis with radiation therapy and chemotherapy, which are standard treatments for cancer patients. There is also an acceleration to push forward CAH Hospital to be the centre in developing the treatment of cancer patients in the eastern region by collaborating with public and private hospitals to refer treatment for cancer patients in the eastern region. This can be seen from the growth in the number of patients who come to use the service and the income is more favourable, even if it is still yet to reach the company goal.

The company and subsidiaries have total revenue from the consolidated financial statements amounting to 2,934.15 million Baht, which is sales revenue to 2,593.12 million Baht increase equal to 2,066.08 million Baht or percentage increase 392.01. Service income is equal to 247.46 million Baht increase equal to 50.96 million Baht or percentage increase 25.94. The income from the hospital business is equal to 74.95 million Baht increase equal to 43.97 million Baht or percentage increase 141.95 and the Company has total comprehensive income from the company's major shareholder's equity equal to 420.33 million Baht or calculated as a percentage of net profit margin of 14.33. This year is considered the year that the company has the highest income. Due to the delivery of many projects which project value more than 50 million Baht approximately 13 projects.

In compliance with corporate governance principles of the Capital Market Supervisory Authority, the company received a letter from the Corporate Governance and Sustainability Department praising the disclosure of information in the 56-1 One Report form earlier than the specified date, which is considered to have contributed to the improvement of information disclosure of listed companies in the dimension of good governance and social and environmental responsibility possibly faster. This is in line with the expectations of global and domestic investors as well as customers, partners and stakeholders, which confirms that the company will operate its business under good governance and continue to develop towards sustainability.

Finally, I would like to thank the shareholders, the board of directors, executives and all employees who are always dedicated and provide good support to the operations of the company and please be assured that the company has a plan, management and attentive operations to create value and sustainability in accordance with the company's vision and above all, I wish you all a healthy body and a clear mind. Keep yourself healthy, free from any sick and illness. It will help us overcome various obstacles as well.



Mr. Sompong Chunekitiyanone
Chief Executive Officer

Name of Board of Directors and Executive Committee



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01. Mr. Woodtipong Moleechad

- Chairman of the Board
- Independent Director

02. Ms. Srirat Chuchottaworn

- Independent Director
- Chairman of the Audit Committee
- Nomination and Remuneration Committee

03. Mr. Vipoota Trakulhoon

- Independent Director
- Audit Committee
- Chairman of Nomination and Remuneration Committee

04. Mr. Thanawat Lertwattanak

- Independent Director
- Audit Committee
- Nomination and Remuneration Committee



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05. Mr. Sompong Chunekitiyanone

- Director
- Executive Chairman
- Chairman of Risk Management Sub-Committee
- Nominating and Remuneration Committee
- Chief Executive Officer
- Chief Operating Officer (Acting)

06. Mr. Voravid Silapusid

- Director
- Executive Committee
- Risk Management Sub-Committee
- Nomination and Remuneration Committee
- Chief Financial Officer
- Human Resources Manager (Acting)

07. Mr. Noppadol Suntanaphanich

- Director
- Executive Committee
- Risk Management Sub-Committee
- Chief Quality Officer

08. Ms. Sukanlaya Khumnuan

- Executive Committee
- Risk Management Sub-Committee
- Deputy Chief Financial Officer

09. Ms. Srisunun Anuchornphan

- Executive Committee
- Chief Administrative Officer
- Company Secretary
- Secretary of Audit Committee
- Secretary of Nomination and Remuneration Committee
- Secretary of Executive Committee
- Secretary of Risk Management Sub-Committee



Summary of Financial Information

Summary of Financial Information

(Unit : Million Baht)

For the year ended Decemeber 31	Y2019 Consolidated FS Audited	Y2020 Consolidated FS Audited	Y2021 Consolidated FS Audited
Total Assets	1,656.57	2,032.65	1,807.81
Total Liabilities	1,012.19	1,458.15	966.67
Total Equity	587.26	532.16	793.49
Revenue from sales and services	724.51	755.34	2,920.76
Total Revenues	734.00	765.13	2,934.15
Gross Profit	184.27	133.44	621.95
Profit before tax	108.65	47.58	526.30
Net Profit	91.46	44.40	420.33
Financial Ratio			
Current Ratio (time)	1.59	1.35	2.23
Gross profit Margin (%)	25.43	17.67	21.29
Operating Profit Margin (%)	14.86	7.98	18.39
Net Profit Margin (%)	12.46	5.80	14.33
Return on Total Assets (%)	7.04	2.41	21.89
Return on Equity (%)	15.92	7.93	63.42
Debt to Equity Ratio (time)	1.72	2.74	1.22
Earning per share (Baht)	0.23	0.11	1.05
Book Value per Share (par value 0.50 Baht)	1.47	1.33	1.98

Policy and Overview of Business Operations



Vision

Business Alignment Public Company Limited is the provider, distributor and maintenance service provider of medical and health equipment especially for cancer patients in order for them to be able to access the modern technology and equality with developed countries.



Mission

- 1 Import, distribute** and provide medical services as well as medical products. To help the doctor including related medical personnel can be treated with advanced technology and allowing the patients to access the mentioned technology conveniently
- 2 Be the center for development** in curing patients with the hospitals, doctors and medical personnels especially for cancer in order to better the quality of life of the patients equality with developed countries
- 3 Manage and administer under the corporate governance** and medical ethics to ensure that the management and administrations are run effectively and efficiently
- 4 Create the highest satisfaction** for all related parties, both directly and indirectly affected, in terms of quality, price, delivery and international standard service
- 5 Look for and expand business** related to health and public health related business to prevent and **promote good health** and increasing revenue and profit



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 to know and understand more "Just know that"



Corporate Objective/ Long Term Goal

The company continues its vision to look for and expand businesses related to health and public health. Leadership in cancer treatment and prevention. In order to give people, access to modern technology and equality with developed countries. Encourage people to have better health. Beyond being a distributor and install high quality medical instruments and software systems including related tools for cancer treatment by radiation treatment.

Established a specialized hospital in cancer which counseling and referral for patients. To provide services for the treatment of cancer patients including radiation therapy and chemotherapy focus on quality control, the quality of doctors, specialists in cancer, efficiency and safety in accordance with international standards. It is a new business that the company has started to work to increase its long-term business potential. Expanding the type of business from the sales and installation of medical devices related to radiation and increasing opportunities and choices of treatment for patients. Increasing sources of income and diversify risks to other businesses which increase opportunity to generate more stable income and cash flow. The company aims to see the results from the revenue of this hospital project after operating within 3-5 years. The specialized hospital in cancer was officially opened on October 1, 2019. As our vision, the company aims to provide people with access to modern technology that is comparable to developed countries. By setting a goal to open another branch of the cancer specialist hospital in another region within 5 years, with a feasibility study of the project closely.

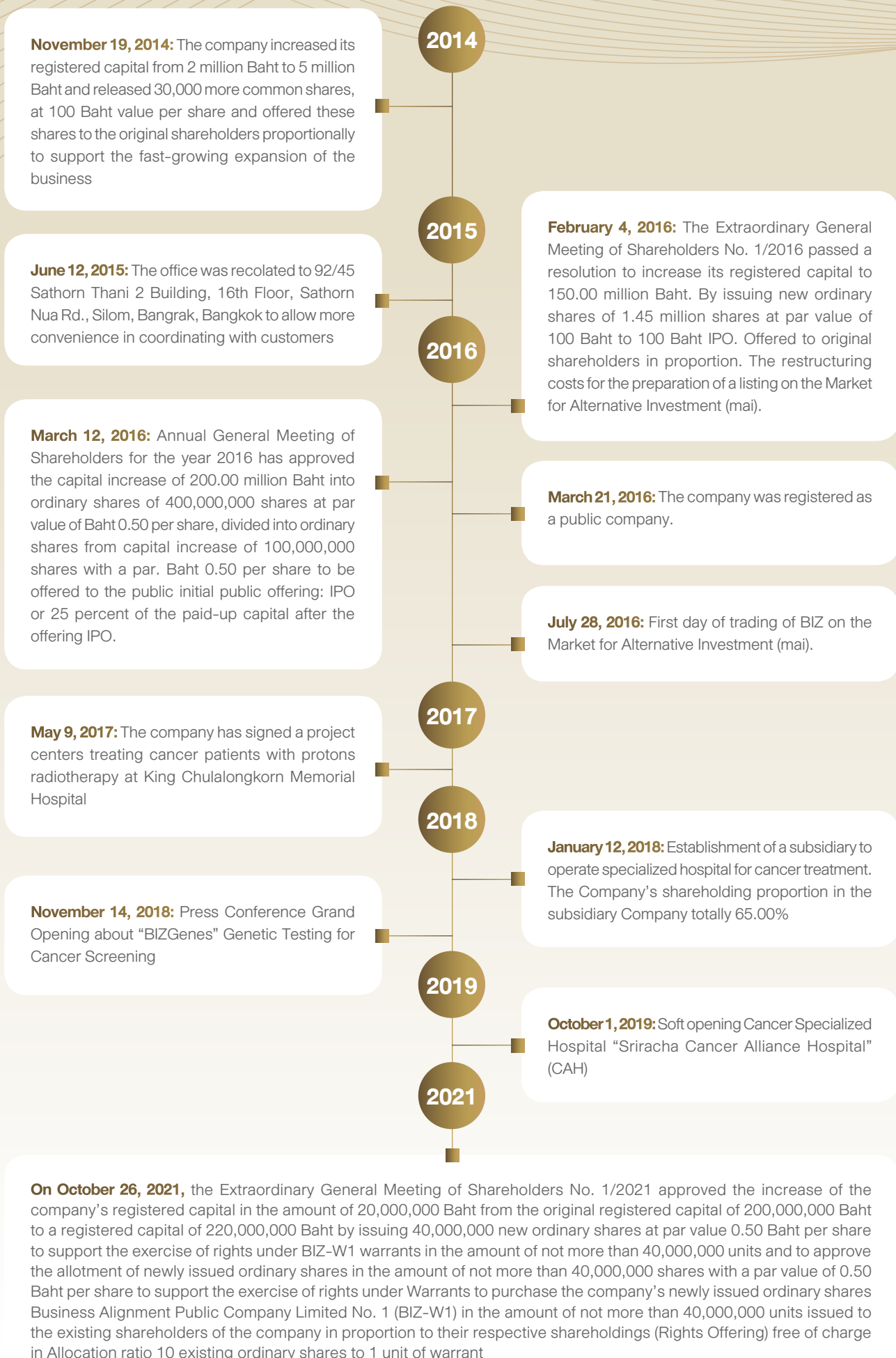
With advanced technology advances, the Next Generation Sequencing (NGS) is accurate and high security. They can access, investigate and understand the secret that links their unique genetic code. To examine a person's lifestyle, such as food intake exercise and skin care. To reach the DNA level. With this innovation make sure that the person is aware of the risk of cancer in the future. Plan for prevention of cancer. It can help to know and understand the risks of future types of cancer and plan for their health care properly and at risk. Helping to plan a family member's health to reduce or manage genetic risk and change the way of lifestyle to reduce other risks involved.

The company expects, this is a continuation of the cancer-related business which the company specializes in. It is a long-term business plan. To increase sales potential and to be more stable.

Notable Changes and Development

Since its establishment in 2000, there are important changes and development in the company as follows:





AWARDS

- 
- 2008** ■ The company was awarded the “ **Award for outstanding achievement 100% market share FY 2006/2007**” from Varian Medical Systems Inc.
 - 2010** ■ The company was awarded the “ **Award for Record Orders FY 2009**” from Varian Medical Systems Inc.
 - 2011** ■ The company was awarded the “ **Award for 100% for Thailand 2011**” from Varian Medical Systems Inc.
■ The company was awarded the “ **Emerging Market Rising Star 2011**” from Thermo Fisher Scientific Inc.
 - 2012** ■ The company was awarded the “ **Award for placing order for a record 16M including TrueBeams**” from Varian Medical Systems Inc.
 - 2013** ■ The company was awarded the “ **Award for Excellent Sales Performance and Market Share**” from Varian Medical Systems Inc.
 - 2017** ■ November 30, 2017: The company was awarded the “**SMEs Excellence Awards 2017**” : **Silver Award in Trading sector**. The key factors of certified small and medium enterprises must be operational for at least 2 years with a good management system, arrange by TMA.
 - 2018** ■ March 23, 2018: Mr. Sompong Chunekitiyanone received awarded the Outstanding Executive of the Year 2018 in Business Administration and Management from one million merit projects.
 - 2020** ■ July 24, 2019 The company was awarded the “**Special Recognition under Rising Star Awards 2018**” at National Director Conference 2019 by Thai IOD
 - 2021** ■ March 26, 2020 The company has been certified for quality management system standards. For distributors of medical instruments and devices **EN ISO13485: 2016** from TUV SUD Product Service GmbH, Germany
■ September 11, 2020 The company has been included in the “**ESG Emerging List**”, a listed securities firm with outstanding performance in environment, society and governance. ESG Emerging Group for the first time is a sustainable investment company.

General Information

Listed Company	:	Business Alignment Public Company Limited
Registration Number	:	0107559000079
Security Symbol	:	BIZ
Type of business	:	Consumer Products
Business Operations	:	Distribute and install medical equipments for radiotherapy treatment and maintenance service
Head Office Address	:	92/45 Sathorn Thani 2 Building, 16 th Floor, Sathorn Nua Road, Silom, Bangrak, Bangkok 10500
	:	Tel : +66 2636-6828-9
	:	Fax : +66 2236-3167
Website	:	www.bizalignment.com
Registered Capital	:	220 million Baht
Paid-Up Capital	:	200 million Baht
Par value per share	:	0.50 Baht
Type and amount of Outstanding Share	:	Ordinary shares, 400 million Shares

The Shareholders' meeting approved the issuance and allocation of warrants to purchase newly issued ordinary shares of the company. Business Alignment Public Company Limited No. 1 (BIZ-W1) ("Warrants" or "BIZ-W1 Warrants") in the amount not exceeding 40,000,000 units to the existing shareholders of the company according to shareholding proportion (Rights Offering) free of charge at the allocation rate of 10 existing ordinary shares per 1 unit of warrant.

Purpose of fundraising and expenditures : According to the company has issued 40,000,000 newly issued ordinary shares with a par value of 0.50 Baht per share to support the exercise of the warrants to purchase the company's ordinary shares No. 1 (BIZ-W1) in which the Company has allocated the warrants. Rights Offering to the Company's shareholders in proportion to their shareholding (Right Offering) by the issuance date of November 3, 2021, of which the total number of warrants allocated is 39,999,633 units, the exercise price is 7.00 Baht per share (However, the warrants to purchase the Company's ordinary shares No. 1 (BIZ-W1) have not yet been exercised. which the first exercise date is scheduled on May 2, 2022 and the last exercise date is on November 2, 2022. So as of December 31, 2021 the company has not received the capital increase from the conversion of warrants to purchase the company's ordinary shares No. 1 (BIZ-W1) in any way.

Obligations committed by the company in the registration statement: None

Company's Revenue Structure

Revenue Structure based on Revenue Type

The company's revenue can be divided into 4 categories:

- 1) Sales revenue which comes from selling and installing the medical equipments and
- 2) Service revenue which comes from providing the maintenance service.
- 3) Construction revenue which comes from hospital building construction to install radiation machine
- 4) Revenue from hospital operations, it is the revenue generated from a subsidiary (Cancer Alliance Company Limited) to operate a specialized hospital project for cancer treatment.

During the year 2019-2021, the company's revenue structure is as follows:

Company's Revenue Structure						
Revenue Type	Year 2019		Year 2020		Year 2021	
	million Baht	%	million Baht	%	million Baht	%
Revenue from Sales	520.90	70.97	527.04	68.88	2,593.12	88.38
Revenue from Service- Radiation Machine Operating Segments ^{/1}	161.20	21.96	194.20	25.38	247.35	8.43
Revenue from Service – Genetic Testing Service Operating Segments. ^{/1}	4.31	0.59	2.30	0.30	0.11	0.00
Revenue from Construction ^{/2}	35.82	4.88	0.82	0.11	5.23	0.18
Revenue from Hospital Operations ^{/3}	2.28	0.31	30.98	4.05	74.95	2.55
Revenue from Sales Service and Construction	724.51	98.71	755.34	98.72	2,920.76	99.54
Other Revenue ^{/4}	9.49	1.29	9.79	1.28	13.38	0.46
Total Revenues	734.00	100.00	765.13	100.00	2,934.14	100.00

Notes: ^{/1} Revenue from Service consists of 1) maintenance for radiation machine operating segments which revenue from radiation machine maintenance and other related equipments as well as revenue generated from software upgrades related to radiotherapy equipments 2) Genetic Testing Service operating segments.
^{/2} Revenue from Construction is the revenue generated from the contract for the establishment of a cancer patient center with proton particles for King Chulalongkorn Memorial Hospital. The company received the project and started construction in the second quarter of 2017 and hospital building construction to install radiation machine started to construct and finish in the year 2018
^{/3} Revenue from hospital operations, it is the revenue generated from a subsidiary (Cancer Alliance Company Limited) to operate a specialized hospital project for cancer treatment. Service of hospital consists Diagnosis Radiology, Radiotherapy, Chemotherapy, Medcannabis, Health Care Aide, Nutrition Services and Food for Cancer Patients.
^{/4} Other revenue includes interests, profits gained from currency exchange, Gain from adjustment of provisions and other income.



Comparison of the total financial figures for the year 2019 – 2021

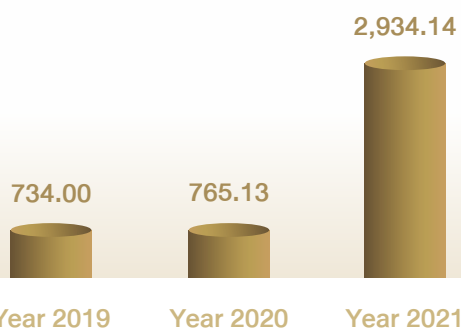
Comparison of financial figures

(Unit : million Baht)

As of 31 December	Year 2019	Year 2020	Year 2021
Total Revenues	734.00	765.13	2,934.14
Net Profit	91.46	44.40	420.33
Total Assets	1,656.57	2,032.65	1,807.81
Total Equity	587.26	532.16	793.49

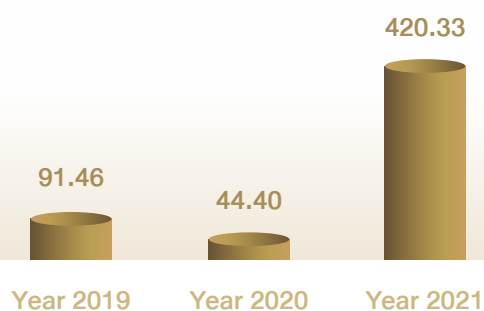
Total Revenues

Unit : million Baht



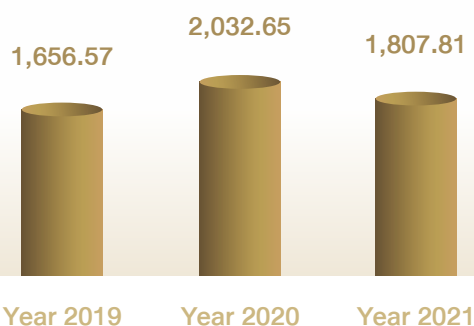
Net Profit

Unit : million Baht



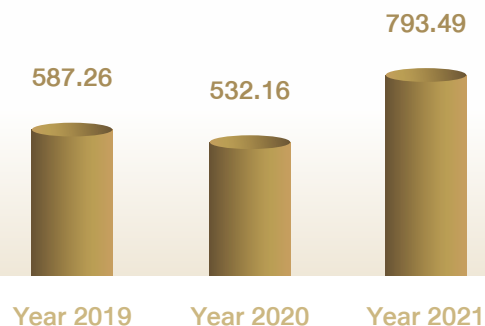
Total Assets

Unit : million Baht



Total Equity

Unit : million Baht

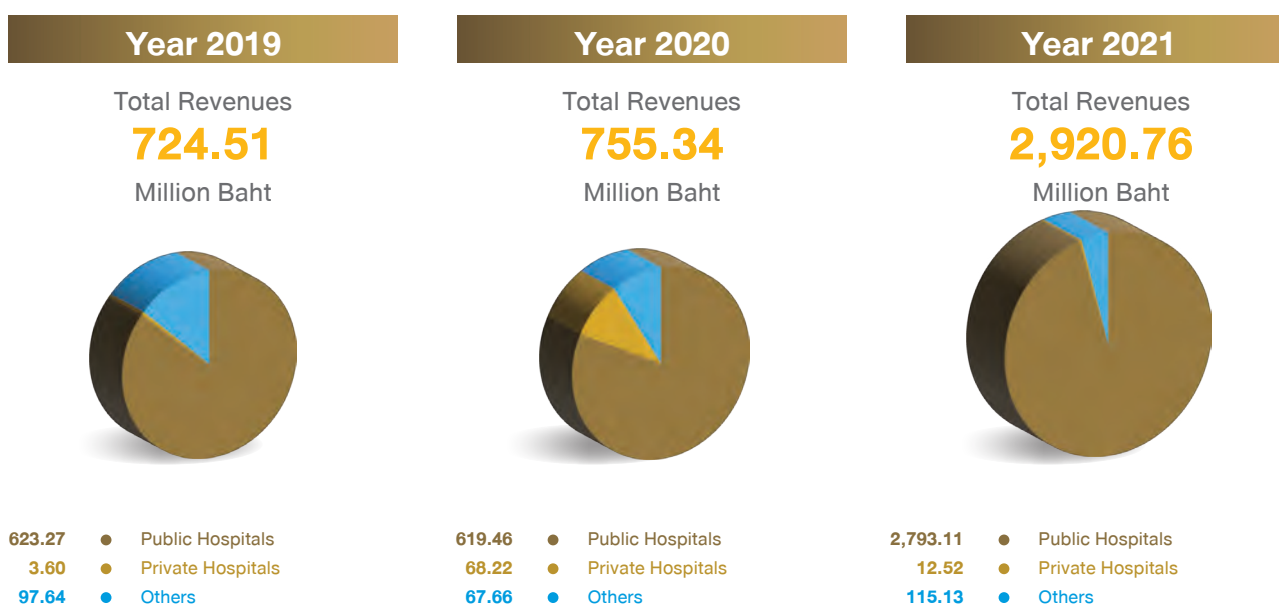


Revenue structure based on customer type

Revenue structure based on customer type between Year 2019-2021 is as follows:

Sales and service revenue structure						
Customer Type	Year 2019		Year 2020		Year 2021	
	million Baht	%	million Baht	%	million Baht	%
1. Public Hospitals	623.27	86.03	619.46	82.01	2,793.11	95.63
1.1 Hospitals under faculties of medicine ^{/1}	74.00	10.21	302.75	40.08	2,044.09	69.99
1.2 Cancer hospitals ^{/2}	240.50	33.20	77.07	10.20	99.09	3.39
1.3 General hospitals ^{/3}	308.77	42.62	239.64	31.73	649.93	22.25
2. Private Hospitals^{/4}	3.60	0.50	68.22	9.03	12.52	0.43
3. Others^{/5}	97.64	13.47	67.66	8.96	115.13	3.94
Total	724.51	100.00	755.34	100.00	2,920.76	100.00

Notes: ^{/1} Hospitals under faculties of medicine includes hospitals in universities and medical schools of faculties of medicine or medical colleges which are mostly under the Ministry of Education. These are super tertiary care medical centers with highest capabilities in service and treatment readiness as they are for educational purposes in order to manufacture new medical personnel and conduct new research
^{/2} Cancer hospitals include hospitals under the Medical Department which focus on developing their expertise in oncology excellence
^{/3} General hospitals include hospitals under the Ministry of Public Health which can be provincial hospitals, regional hospitals or district hospitals with tertiary care or super tertiary care capabilities
^{/4} Private hospitals mean private hospitals such as Bangkok Hospital, Phyathai Hospital
^{/5} Others include departments or organizations which are not medical clinics or hospitals such as the Department of Medical Sciences, Office of Atom of Peace or Synchrotron Light Research Institute, Private Company, Individual, Revenue from hospital including sales that occurred in Cambodia.

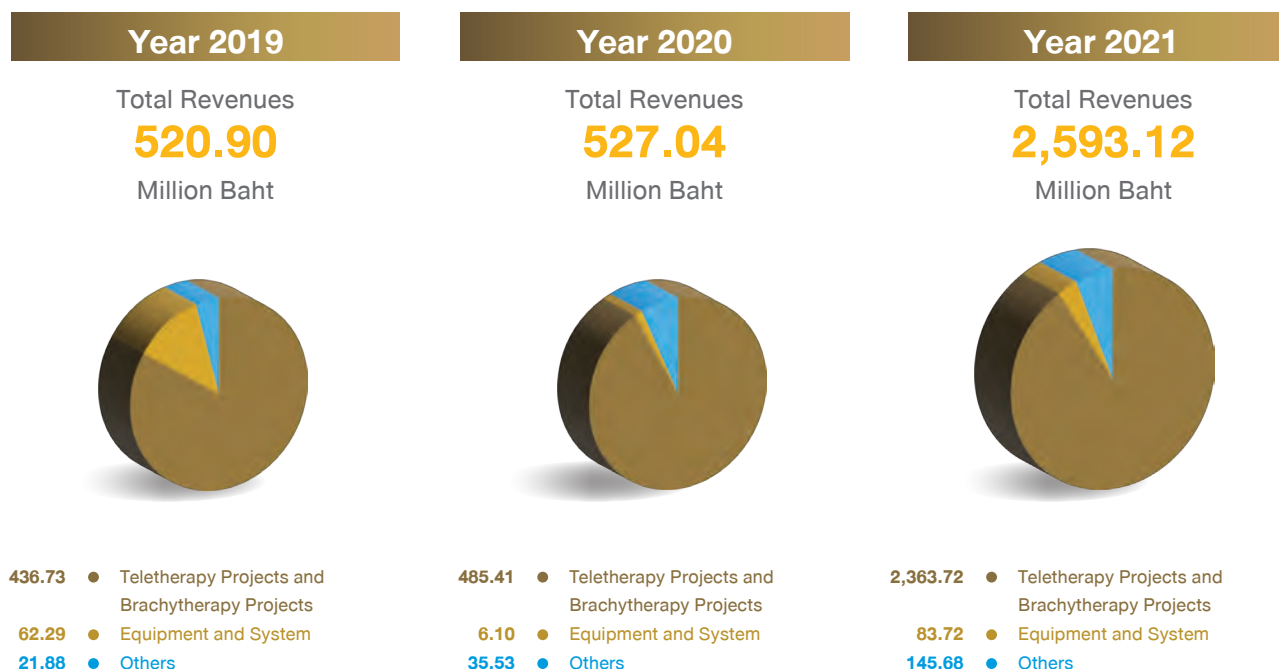


Sales revenue structure based on product type and job type

Sales revenue structure based on product type and job type during Year 2019-2021 is as follows:

Sales revenue structure						
Product Type and Job Type	Year 2019		Year 2020		Year 2021	
	million Baht	%	million Baht	%	million Baht	%
1. Teletherapy Projects and Brachytherapy Projects ¹	436.73	83.84	485.41	92.10	2,363.72	91.15
2. Equipment and System ²	62.29	11.96	6.10	1.16	83.72	3.23
3. Others ³	21.88	4.20	35.53	6.74	145.68	5.62
Total Sales Revenue	520.90	100.00	527.04	100.00	2,593.12	100.00

Notes: ¹ Sales revenue from Type 1 and Type 2 are project work types which include the value of other equipments in the project but the key equipments will be the teletherapy machines and brachytherapy machines respectively.
² Equipment and system includes the groups of equipments which are high technology equipments or systems such as radiation simulation machine, treatment planning system and radiotherapy patients database system. This can either be a project work type or a one-off sales work type
³ Others include the groups of equipments which are part of the key equipment such as applicators for afterloaders, or batteries. They could also be the groups of equipments which are for the treatment process such as quality assurance and pretreatment verification tool or gafchromic film.



Product Information

Business Alignment Public Company Limited or BIZ operates the distribution and installation of medical equipments for cancer treatment through radiotherapy by importing the equipments from world's leading professional in cancer treatment equipment and technology. The company's operations also include the maintenance service of the mentioned equipments. The key clients include hospitals under faculties of medicine, hospitals in the Cancer Hospital Group under Medical Department, Ministry of Public Health, other public hospitals, public health departments or organizations and private hospitals.

The company is the sole importer and exclusive distributor of radiation machine equipments for Varian Medical Systems Inc. and its affiliates, which is the world's leading company with great credibility and widely accepted among the medical industry personnel from all over the world as the medical equipment provider and modern software system for cancer treatment. The company has been trusted as the exclusive distributor for over 20 years. Additionally, the company also works with many suppliers overseas such as IBA Dosimetry GmbH (Germany), Thermo Fisher Scientific Inc. (USA), Xstrahl Limited (United Kingdom), Deltabit Oy (Finland), Vision RT Ltd (United Kingdom), Computerized Imaging Reference Systems, Inc. (CIRS) (USA), Radiation Product Design, Inc. (USA) and Ashland Inc. (USA). Beside from distribution, the company also provides maintenance service of the medical equipments to the clients who ordered from the company to ensure its functionality throughout its usage period.

The key product that the company offers is radiation treatment equipment especially the linear accelerator which is the key equipment in teletherapy. This product is highly important and has high value to the project. Moreover, the company acts as the solution provider which means the company is responsible for providing the equipment as well as a full circle service to ensure that our clients will be able to operate the machine to its highest effectiveness. Therefore, the company is responsible for providing everything starting from the construction process, renovation process to ensure the room is of high standard to increase to prevent radiation leak as well as providing other necessary equipments to ensure the effectiveness of the treatment such as treatment planning computer system, oncology information system, quality assurance and pretreatment verification tool and other supporting equipments. In addition, the company provides maintenance service to lengthen the usage life of the equipment.

Business Alignment Public Company Limited or BIZ operates the distribution and installation of medical equipments for cancer treatment through radiotherapy and offers maintenance service to the clients who ordered from the company. Nowadays, we are the exclusive distributor for main providers Varian Medical Systems Inc., distributor of Linear accelerators, treatment planning computer system, radiotherapy patient database system, distributor of Quality assurance and pretreatment verification tool. The company also works with many suppliers overseas including such as IBA Dosimetry GmbH, Germany, Thermo Fisher Scientific Inc. USA, Xstrahl Limited. England, Deltabit Oy Finland, Vision RT Ltd. England, Computerized Imaging Reference Systems, Inc. (CIRS) USA, Radiation Product Design, Inc. USA, Ashland Inc., USA. All of them are high quality products and accepted by medical personnel both in Thailand and overseas.



The company can categorize its product and service types based on revenue type as follows:

1. Revenue from Sale generated from the distribution and installation of the following equipment types:

1.1 Treatment Delivery Equipment

This is the main equipment that the company sells which is the equipment used in radiotherapy and is of the highest value when compared to the other functions or equipment types of the company. Treatment Delivery equipments as detail follow;

- **Linear Accelerator**

Used for teletherapy cancer treatment by using radiation from high energy x-ray far from treatment area onto the cancer cells area to destroy them. This is an equipment with state-of-the-art technology, high accuracy and can be used on several cancer cells area in the body. That is why this equipment is the main revenue source for the company today.

The Linear Accelerator that we import is from Varian Medical Systems Inc. and its group of companies ("Varian") who is the world's leader in radiotherapy technology, proton beam therapy and mineral implant therapy. We can say that Varian is the well known provider and distributor of high quality radiation therapy equipments among the medical industry both domestically and internationally.

- **Proton Therapy**

That's product used in the treatment of cancer by remote radiation by proton radiation that derived from a particle accelerated by a particle accelerator. Proton radiation has a distinctive feature called "Bragg peak". The ability to penetrate lower body x-rays. It does not penetrate the tumor. Therefore, it can transfer energy to destroy tumors or cancer cells as well. And the good tissue or normal organs around the lesion, or the tumor mass, in the way the radiation passes, gets less energy. It is less damaged or damaged by proton radiation. Proton bombs can also adjust the size and intensity of radiation. The proton beam can be fired into the tumor precisely. Therefore, it is possible to destroy tumors or cancer cells precisely while the normal organs in the vicinity are receiving the least amount of radiation or not. Therefore, the treatment of cancer patients with radiation is the most effective and reduce the side effects of treatment even more.

- **Brachytherapy Afterloader**

Used for brachytherapy cancer treatment by placing the fully covered radioactive, namely Iridium 192, near the treatment area into the affected parts of the body. This type of treatment allows the high volume of radiation into the affected body parts accurately and can reduce the harm to the tissue surrounding the cancer cells so it is suitable for certain types of cancer only.

1.2 Equipment and System Type

This equipment type relates to high level technology equipment and system which is used together with the radiation machine in the radiotherapy process. The key equipment in this group include hardware and software system for treatment planning system, oncology information system and radiation simulation.

- **Treatment Planning System**

This is a software system used in planning the treatment to ensure accuracy in the radiotherapy process and prevent any harm that may happen to the surrounding tissue which can cause more harm to the patient. The software system uses state-of-the-art computer system and can plan the treatment in different ways such as 2D or 3D treatment, Intensity Modulated Radiation Therapy (IMRT), Volumetric Modulated Arc Therapy (VMAT) by using the x-ray film of the patient from the treatment 3D simulation machine to support the treatment planning

process. Radiologists can accurately determine the shape and size of the designated treatment area or body parts. Medical physicists can plan the treatment in different techniques and process the calculation to see how the radiation spreads in the cancer tumors. Then, radiologists can assess to select the best treatment for each patient. The spread of radiation must cover as much of the cancer tumors as possible and least affect the surrounding body parts but must also meet the set criteria. Once the radiologists agrees with the plan, the medical physicists will send the treatment plan to the linear accelerators through the computer network system to begin the treatment.

- **Oncology Information System**

This is a software system used to record and verify the level of radiation the patient is receiving throughout the treatment process. It is also the information system that supports the hospital's electronic medical records and patients' appointment system in radiotherapy and oncology clinics for radiotherapy and chemotherapy patients. It can also support the administration of the image information in radiotherapy in order to check for accuracy of the radiation area and location.

1.3 Other Equipment

These are the supporting equipments for the key equipment such as applicators for the Afterloader or the group of equipments that is used in supporting the treatment process such as the Quality Assurance and Pretreatment Verification Tool, Gafchromic film, Motion Detector during radiation process and patients' immobilization solution

2. Revenue from Services

Service revenue comes from 2 types of services as follows:

- 2.1 Service revenue comes from the maintenance services for the medical equipment after the warranty period is over according to the sales contract. This warranty usually lasts 1-2 years after the handover of the equipment depending on each agreement.
- 2.2 Service revenue from genetic testing services to examine a person's lifestyle, such as food intake exercise and skin care as well as being able to check the risk of developing common cancers. The results of the examination will be in an individual format. This is the revenue that the company provides for gene mutation testing and sent to the genetic laboratory. It takes time to examine and analyze the results with Next Generation Sequencing (NGS) technology, which the results are certified by a medical professional.

3. Revenue from Construction

The revenue from structure derived from the project to establish a cancer patient center with proton particles for King Chulalongkorn Memorial Hospital. The company received the project and started construction in the second quarter of the year 2017 and revenue from construction ends in the year 2020.

4. Revenue from Hospital Operations

Revenue from hospital operations It is the revenue generated from a subsidiary (Cancer Alliance Company Limited) to operate a specialized hospital project for cancer treatment. The Company will recognize revenue in proportion to its investment in the said subsidiary at 65%.



Images of different models of Linear Accelerators and Other Products

Linac Model :
True Beam



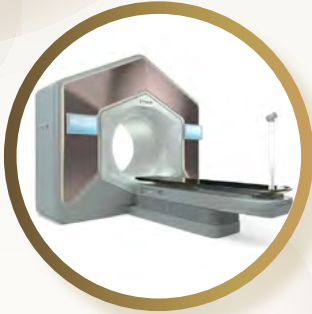
Linac Model :
Edge



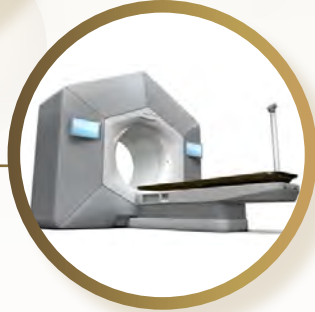
Linac Model :
Vital Beam



Linac Model :
ETHOS



Linac Model :
Halcyon



Linac Model :
Clinac iX



Brachytherapy
Afterloader



Cyclotron
Probeam Therapy



Marketing and Competitions

Marketing Strategy

The linear accelerators and other supporting equipment imported and distributed by the company are considered unique with high technology application. This means that in the overall business conditions, there are only a few companies in the market and the expert personnel in the mentioned equipment also play a vital role in driving the business. Therefore, the company employs the following marketing strategies on the competitors and target customers.

1) Product Strategy

The company's policy primarily focuses on the quality of the product because the product is related to the quality of life of cancer patients as well as the patients' loved ones. Therefore, the company focuses on the quality of the product as its first priority by only selling products of international standard and that are well-accepted among the medical personnel both domestically and internationally. Most products are imported from overseas suppliers who have been certified on their production standard in different types such as Good Manufacturing Practice (GMP) and Quality Management System such as ISE 13485:2003 as well as certified by the Food and Drugs Administrations. All products sold by the company must have sales certification documents and quality control process certification documents from either public or private organization that the government of that country and must be tested by the Food and Drugs Administration according to the 2006 Ministry of Public Health announcement (Issue 34) under the Medical Device Act 1988. The company distributes from 2 companies which are Varian Medical Systems, Inc. and Mobius Medical Systems, LP (USA) along with many key suppliers in different countries such as IBA Dosimetry GmbH (Germany), Thermo Fisher Scientific Inc. (USA), Xstrahl Limited. (UK), Deltabit Oy (Finland), Vision RT Ltd. (UK), Computerized Imaging Reference Systems, Inc. (CIRS) (USA), Radiation Product Design, Inc. (USA) and Ashland Inc. (USA) which are all of high quality and well-accepted by the medical personnel both domestically and internationally.

Beside from focusing on product standard, the company also has the policy to run the business as a solution provider in cancer treatment. This means that the company not only provides and sells the linear accelerators and their related products, it also looks after the constructions and renovations of the space to be suitable for radiotherapy cancer treatment. From this, the company is also able to fully serve the clients' needs and gain trusts from the clients until today.

Beside from distributing and installing the linear accelerators for radiotherapy, the company also places its value on the after sales service especially maintenance service on the equipment for clients who ordered from the company. This helps the equipment to run at its full effectiveness through its usage life as we know that without the proper maintenance and fixing, the equipment couldn't run properly and could affect the cancer patients receiving the treatment.

As for the aspects of providing genetic testing services to screening for cancer risk which is the addition of new products. In the form of services provided by the company, having a contract with a company that has direct expertise in cancer genetics and has a laboratory that meets international quality standards including inspection tools that have the most modern technology and it also emphasizes the importance of checking the results by specialized experts that have been properly inspected, hence, the customers would receiving the service can be used in the care planning cancer at the point.



2) Price Strategy

The company has the policy in setting the pricing by adding the proper profit rate to the cost of the product known as Cost Plus Margin. Pricing of the product will be controlled based on the related cost such as product cost, insurance and delivery cost, exchange rate risk, installation cost plus import duty and margin by basing on the price of the production company which is a Free on Board (FOB) or Carriage and Insurance Paid To (CIP) type. The company also uses credit services to import Letter of Credit (L/C) products or Trust Receipt (T/R) products as well as setting up forward foreign currency contracts from financial institutions to reduce the risk from the fluctuation in currency exchange. The payment method depends on the agreements and conditions as agreed in the purchasing contracts which differ for each client.

For the maintenance service that occurs after the warranty period, the company will charge based on Cost Plus Margin also.

Genetic testing services for personal health care planning including cancer risk screening, the company will calculate the cost by adding the cost-plus margin from the laboratory's quotation which is the price that the company proposed to the hospital or clinical. However, the price of genetic testing to screening for cancer risk in each hospital or clinic that provides the service will be difference it depends on the hospital and clinic that will set the service price according to the service standards of each location.

3) Place Strategy

As the product and service of company is the medical tool for cancer treatment which aim at the clients in medical industry, the company needs our personnel in sales, marketing and after sales to be well informed in the product and service in order to provide the correct advice to the clients and point out the benefits gained from using the products and services of the company. Therefore, our sales team is the key in our distribution success.

The product and service presentation will be operated by the sales and marketing department which has 2 main access to the clients, one is from following the notice of procurement of the government sectors and the other is from receiving the direct contact from clients. In the past, most high value sales come from the notice of procurement of the government sectors. From this, there are 2 ways to go which is either through electronic bidding or through special procurement process which follows the government procurement process set by the Comptroller General's Department, Ministry of Finance. Due to the nature of the product which is unique and has a lot of details, the procurement must pass the Terms of Reference (TOR) from the government procurement process. For the sales of smaller values products usually come directly from the client to the company.

Beside from following the notice of procurement above, the company also sets strategies to meet the target clients to inform them of the development and advancement in the product periodically to allow those target clients to realize the importance of these equipments and be able to continuously serve the growing needs of cancer patients. If any clients become interestesed, they will contact the company directly for more information and start the procurement process based on the client's internal process. Moreover, the company also coordinates with the target clients and offers sessions or seminars to provide knowlodge about the products before they make their final decision.

For genetic testing services to screening for cancer risk, as a distributor of products (services),it is responsible for promoting and publicizing sales and provide information to customers in both the direct group which are customers or those interested in the services that ask and prefer to receive services directly, and in the In-direct customers group are personnel medical team and hospital related persons and also the leading anti-aging clinic for the hospital, and the anti-aging medicine clinic that will bring information about genetic testing to screening for cancer risk to recommend to customers who are interested in hospital services for further acknowledgment.

4) Promotion Strategy

As this is a business that requires specific expertise with unique users and few competitors, the company does not do PR. Also, because we have been trusted by the people in the medical and radiotherapy industry both in terms of product quality and after sales service, there is no need for the company to do lots of PR. Moreover, the company cannot run advertisement on the product due to the restrictions announced in the 2010 FDA Announcement regarding the criteria, procedures and conditions in advertising medical tools, number 3.2.4 which stated that one shall not advertise the dangerous medical tools which the linear accelerators are qualified as one of the dangerous tools. However, the product that the company imports is well-known and well-accepted worldwide among the radiotherapy doctors and experts.

However, the company runs continuous marketing activities and public relation activities to promote the company and inform clients about the product knowledge on a regular basis through seminars and academic fairs of Thai Association of Radiation Oncology and Thai Medical Physicist Society which are organized specifically for the medical personnel to promote the products to the directly concerned party and to build a strong image of the company and build brand recognition and brand awareness to the target clients.

For providing genetic testing services for personal health care planning including cancer risk screening. The company takes a focus on providing information and publicizing the service through specialist doctors and medical personnel in this particular area to build credibility with service users. Including public relations through various media, both online channels such as the company's website, Facebook, products and publications that the target audience is interested in.

Characteristics of customers and target customers

Most of the company's customers were hospitals under the medical university. Specialized Cancer Hospital, General hospital and the leading private hospitals in the country. The Group's customers can be classified into the following categories:

1. University hospitals under the Faculties of Medicine 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 and Songklanagarind Hospital, Faculty of Medicine, Prince of Songkla University
2. Specialized hospitals such as Lopburi Cancer Hospital, Chonburi Cancer Hospital, Ubonratchathani Cancer Hospital, Maha Vajiralongkorn Thanyaburi Hospital Patumthani, Chulabhorn Hospital and Bangkok Cancer Detection and Treatment Center
3. General hospitals such as Sawan Pracha Rak Hospital, Maharat Nakhon Ratchasima Hospital and Bhumibol Adulyadej Hospital, Roi-ed Hospital, Maharat Nakornratchasima Hospital, Phrapokklao Chantaburi Hospital.
4. Specialized Cancer Hospital such as Wattanosoth Cancer Hospital (Bangkok Dusit Medical Services) and Bangkok Cancer Hospital.

For customers of genetic testing services to plan personal health care to screening for cancer risk, the main customers are considered general private hospitals such as Samitivej Sukhumvit Hospital, Samitivej Srinakarin Hospital, Phyathai 1 Hospital, etc. and various anti-aging clinics such as Yos Clinical ID-Life Clinic. Currently, the main services are only available in hospitals and clinics in Bangkok and surrounding areas. However, in the future, there are plans to expand to other regions including online channel.



Industry Situation

1) Situation of the hospitals in Thailand with radiotherapy service

At present, the list of hospitals in Thailand in tertiary level and super tertiary level and the hospitals with radiotherapy service are as follows:

Public Hospitals	Number of Hospitals ^{/1}	Hospitals with Radiotherapy Service ^{/2}
University Hospitals	25	11
Cancer Specialized Hospitals	9	9
General Hospitals	38	15
Total Public Hospitals	72	35
Private Hospitals	Number of Hospitals ^{/1}	Hospitals with Radiotherapy Service ^{/2}
University Hospitals	2	1
Cancer Specialized Hospitals	5	5
Large Private Hospitals (more than 250 beds)	21	6
Total Private Hospitals	28	12
Total Public and Private Hospitals	100	47

Sources: 1. Number of hospitals taken from Thai Association of Radiation Oncology
2. Number of hospitals with radiotherapy service taken from Business Alignment Public Co., Ltd.

Note: Number of hospitals shown will only include hospitals in tertiary and super tertiary levels which are large sized hospitals and the target clients of the company

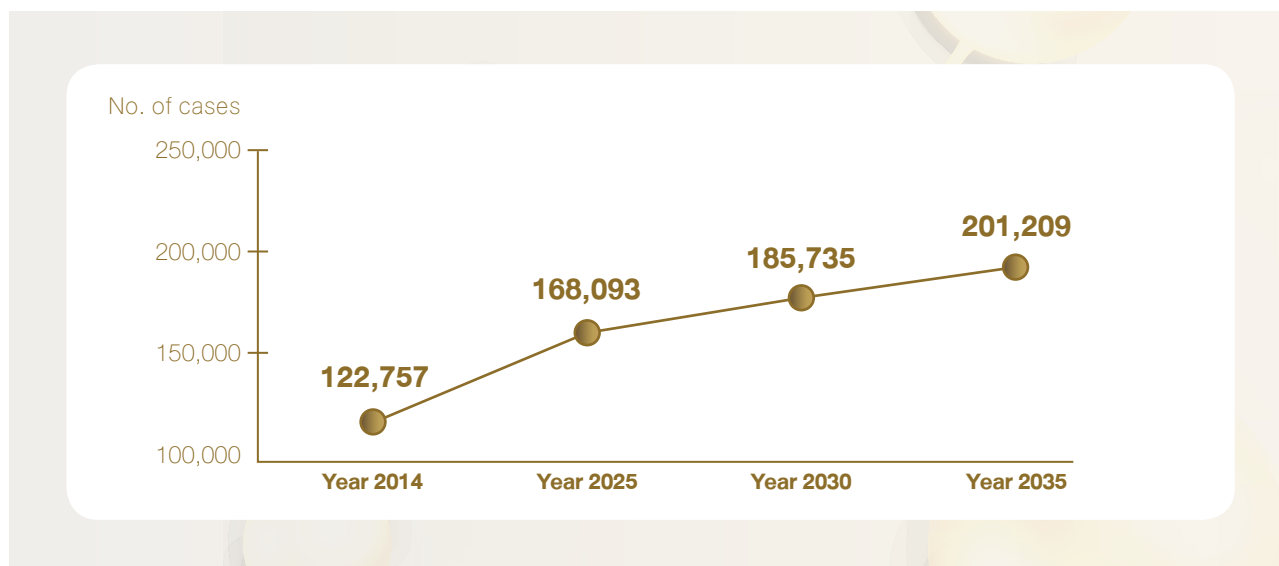
2) Situation of the Cancer Patients

The present, Cancer is the most commonly found disease and one of the first causes of death around the world. Death from cancer accounts for 15% of all death causes. The World Health Organization found that in year 2018, there were 18.1 million new cancer cases and 9.6 million deaths from cancer, with the top 5 found in the world being lung cancer, cancer Intestinal cancer Prostate cancer And stomach cancer It was 1.8 million people who died from lung cancer, 881,000 nasal cancer, 783,000 stomach cancer, 782,000 liver cancer and 627,000 breast cancer.

In addition, The International Agency for Research on Cancer (IARC), which is a unit of the World Health Organization (WHO), has been reported in The Lancet Oncology. It is predicted that by 2030 the country with a standard of living, such as countries in South Africa, China and India, the cancer rate will increase to 78%, while countries with a low standard of living will have a higher cancer rate up to 93%, because they adopt more Western-style health-enhancing lifestyles in their lives.

The estimates of the incidence of cancer in Thailand from the World Health Organization show that the incidence of cancer in Thailand is likely to increase. In the year 2014 total 122,757 new patients by males 59,662 patients and 63,095 were women. The Strategy and Planning Division Ministry of Public Health Reported that in year 2019, Thailand have 84,073 patients died of cancer, 48,078 is males, 35,995 is females which has increased the mortality rate from the previous years. (Source: Public Health Statistics, year 2019) It is estimated that the incidence of cancer cases in Thailand was found. In the year 2025 total 168,093 patients. In the year 2030 total 185,735 patients and in the year 2035 total 201,209 patients.

Predicting the incidence of cancer cases in Thailand



From the data “the proportion of causes of death with cancer compared to the total deaths in Thailand”, cancer has been the number one cause of death among Thai people since 1999, and Thai people There is a tendency to increase cancer mortality every year. Due to the changing environment and social factors such as the expansion of urban society Entering the aging society Marketing strategy Advancement in technology and communication Is a factor that causes the rate of cancer to rise Found that from 2007 to 2014, there are 50,000-70,000 Thai people die from cancer each year, accounting for 13.59-16.09%, with the cancer mortality rate increasing steadily and also the number one cause of death for Thai people.

3) Situation of the Radiotherapy Equipment in Thailand

At present, the medical equipment related to radiation is continuously expanding. But there are still insufficient amounts of cancer patients seeking radiotherapy. The new cancer patients forecast from WHO suggested that the number is likely to increase. Despite cancer being the number one cause of death in Thailand, patients today still do not have access to the necessary radiotherapy treatment as 1 linear accelerator can support approximately 400500- patients per year (data from Oxford University research in association with International Network For Cancer Treatment and Research (INCR) by Mr. Massoud Samiei under the topic “Challenge of Making Radiotherapy Accessible in Developing Countries”, 2013) However, today the data from Thai Association of Radiation Oncology in the year 2019 suggested that Thailand has only 81 LINAC while the number of cancer patients is expected to high increase which the research from Oxford University in association with International Network For Cancer Treatment and Research (INCR) by Mr. Massoud Samiei under the topic” Challenge of Making Radiotherapy Accessible in Developing Countries”, 2013 pointed out that at least 50% of cancer patients need to be treated with radiotherapy. Therefore, this brings the ratio of cancer patients to LINAC in year 2020 to 700:1 which is more than the capacity that Thailand currently has. The number suggested that Thailand needs at least 188 LINAC to support the cancer patients which means an additional 125 LINAC Shortage 63 LINAC. (Source: LINAC Capacity Data from International Network For Cancer Treatment and Research (INCR) by Mr.Massoud Samiei under the topic “Challenge of Making Radiotherapy Accessible in Developing Countries”, year 2013 and Number of LINAC from Thai Association of Radiation Oncology.



- Estimates of 188 particle accelerators that should be available in Thailand

Number of Linac accelerators (present)

125 Linacs

Additional machine requirements

63 Linacs

Apart from the needed LINAC mentioned above, there is also a need for replacing the Cobalt-60 Machine with the LINAC due to its treatment limitation. At present, there are 5 Cobalt-60 Machine in Thailand which is in need of replacement to increase the effectiveness in the treatment according to the reasons stated above. There have been 4 active suspension for reasons of efficacy. For this reason, together with the need for 63 additional LINAC mentioned above, the market needs a total of 68 additional LINAC. (Source: Number of LINAC from Thai Association of Radiation Oncology)

Competition Situation

LINAC Manufacturers

As manufacturing a LINAC requires advanced technology, there is not a lot of manufacturers in the market. Today Thailand cannot manufacture its own LINAC either so importing the machine from overseas companies such as Varian Medical Systems, Inc. (USA) or Elekta AB (Sweden) is still required. The 2 mentioned companies are considered as the main manufacturer and distributor in LINAC in the world. There is also LINAC imported from China which has very low market share and so far Thailand has not imported any from China.

Genetic testing service providers for personalized health care plans and cancer screening

Genetic testing services is not a new service that has just been born in Thailand. But it's a service that has been around for a long time. But the information is not yet accessible to the general public to know that at present there are services that can examine the DNA genetic level in order to be able to understand the health conditions related to the lifestyle of the individual including the risk of cancer, that may be inherited from genetics or from environmental stimuli that can cause cancer including that the general public will not see the importance and/or necessity of knowing such information in advance for use in planning their own health care and future including not receiving information that what modern technology is there today? That can analyze these results Therefore, the current competition Therefore, it is a competition in providing knowledge, both directly and indirectly, for groups of people to know and have access to services.

Competitions in Thailand

The import of medical equipments is a fast-growing industry especially ones with advanced technology such as linear accelerators. Today there are only 2 companies which import and distribute the linear accelerators, and our company is the exclusive distributor of LINAC from Varian Medical Systems, Inc. (USA) while our competitor imports from Elekta AB who is also the key competitor of Varian in the world market. This allows the 2 mentioned companies to dominate the LINAC industry in Thailand

From preliminary information, the number of radiation machine in Thailand. It can be classified according to the domestic market share as follows:

No.	Radiation Machine	Number of machines	% Market Shares
1	Linac Varian	66	52.80
2	Linac Elekta	38	30.40
3	Other accelerators and/or old technology	21	16.80

Product and Service Provider

The company operates the business as the solution provider in radiotherapy to hospital clients. Therefore, the distribution of the product focuses on projects which means that the company also takes on the responsibility of construction and renovations of the radiotherapy room as well as providing and installing supporting equipments related to radiotherapy treatment to make sure that it works efficiently. Then the company will hand over to the clients once all of the projects is completed.

As a project work, the company must find personnel in all related aspects such as constructions, renovations, installation and maintenance. The company also looks after the procurement of the equipments needed for the effective treatment and installation of the equipments to ensure that the machine can work perfectly.

In distributing the radiotherapy medical equipments such as LINAC, Treatment Planning System and Radiotherapy patients database system, the company imports products from Varian Medical Systems Inc. and its group of companies ("Varian") and the company is appointed as the exclusive distributor of Varian in Thailand. For other products, the company imported and purchased from overseas suppliers such as IBA Dosimetry GmbH (Germany), Thermo Fisher Scientific Inc. (USA), Xstrahl Limited. (UK), Deltabit Oy (Finland), Vision RT Ltd.(UK), Computerized Imaging Reference Systems, Inc. (CIRS) (USA), Radiation Product Design, Inc.(USA), Ashland Inc.(USA) etc.

For genetic testing services for cancer screening, the company entered into a distributor agreement with AtGenes Company Limited which has been certified according to laboratory standards ISO15189-2012 and ISO15190-2003, which is a company that engages in business by providing services related to genetic testing By diagnosing at the extensive gene and DNA level, covering various genetic diseases found in Thailand and in Southeast Asia. With a contract term of 3 years minimum and can be automatically renewed for 3 years at a time. And also expanding cooperation with GenePlanet, a European company specializing in comprehensive health diagnostics genetic testing, will expand its products and services to more comprehensive and responsive health care needs.

Recruitment

Staff of Project and warehouse of the company are responsible for assessing the possibility of the installation of different equipments, system wiring, and installation for equipments used in the radiotherapy room, radiotherapy simulator room and afterloader room. They are responsible for coordinating with the engineers, architects, project consultants and clients to prepare the space and other things to be ready for the installation as well as assessing and following up on the project to ensure that it is completed according to the project time frame. They are also responsible for coordinating with the sales team and the clients in providing the necessary equipments that match the clients' needs. Therefore, the project and warehouse of the company must have the engineering or radiology knowledge or have worked in medical physics.



For the installation process especially the Varian products, the manufacturer will install for the clients.

For the maintenance service, our after sales personnel will coordinate with the manufacturer team to run system check up for all LINAC and important software system. For the maintenance of the afterloader, the company's after sales personnel will be responsible for charging the minerals as scheduled.

For these reasons, the company puts an emphasis on selecting the personnel who has the expertise in the area and has passed the training from the manufacturing company and has some past experience in the maintenance of medical equipments for cancer treatment.

Contractors

In the pre-installation process, some clients will ask the company to take charge of the constructions or renovations of the space for the LINAC to match the international standard and be suitable for the use of the machine. Therefore, the company has to hire outsource contractors to do this. These contractors include constructions worker, designers and build-in designers as the company does not have its own contractors.

As LINAC is a high radiation machine, the installation process must be done in a specifically designed room to prevent any danger that may occur from the radiation. This is why the company needs to select the suitable and professional contractors to do this. The company has a set selection criteria for these contractors to ensure satisfactions to all our clients.

The process of procuring a contractor is to find the suitable price, by the company set the conditions and requirements to be used in the selection of each project, such as the project's format Standard equipment used set time for completion including the estimated budget for the project, etc., as the customer's needs vary from project to project. Take into account whether there is completeness as desired and defined or not. If there is any information missing, the contractor will take action or send more. Then it will take into account which contractors are selected will be able to work and take the next step, unqualified person or submit a bid that does not meet the conditions or requirements will be cut off.

Sales and Maintenance Process

Sales Process (through electronic bidding and special procurement)

1. Product Presentation and Consideration Process

For the procurement process, clients have 2 options which depends on the detail and the complexity of the product.

1.1 Electronic Bidding

1.1.1 When client has the desire to purchase the product, the procurement board will invite the LINAC distributors to present the information to the board to support the drafting of the Terms of Reference (TOR).

1.1.2 After the initial product presentation, the sales team of the company will follow up on the procurement announcement of the company and draft the TOR according to the announcement on the clients' websites and government's procurement website by the Comptroller Generals' Department, Ministry of Finance. The company will review the announcement to see if the company has the right qualifications according to the announcement or not by looking at the TOR. If so, the sales and marketing team of the company will calculate the costs, and in the case where the space renovation is needed, the company will assign the engineer, architect and company consultant to inspect the area and assess the cost of constructions or renovations and add it to the original costs. Then the administration team will prepare the quotation for the bidding.

1.2 Special Procurement

If the clients wish to purchase through special procurement process, they must appoint a special procurement board to set the estimate cost and prepare the details of the needed equipments and invite the companies to present the quotation.

2. After the company has received the selection process results or has been invited by the clients to be the provider or distributor from one of the above processes, the company will contact its partners overseas to prepare the purchase order according to the project and prepare the necessary documents to process the loan from the bank as well as any other necessary documents for contract signing
3. In the case that there is a need to prepare space before installation. The company will coordinate external contractors to carry out the construction or renovation of the area, including the construction contractor, designer and internal installation contractor (Build-in) to implement renovate the place. To support the installation of radiotherapy products with various systems and accessories. The company will monitor the work process of the contractors closely to ensure the necessary standard is met.
4. After the product has been delivered to Thailand, the company will process the installation of the product in the designated space according to the clients.
5. Once the installation is complete, the company will set up an appointment with the client for quality inspection before the hand over. This will also include any necessary trainings, both domestic and overseas, to doctors or related officers so that they are able to operate the machine correctly.
6. The company hands over the project to the client and billing for payment according to the terms in the contract.
7. The company provides the maintenance service to the equipment according the agreed warranty period as stated in the contract.

Maintenance Service Process

A continuous maintenance service helps the equipment to last longer and work effectively throughout their usage life. The company will issue a contract regarding the maintenance agreement between the company and the client that the company will provide the maintenance service every time there is an issue or when the maintenance period is due to ensure that the equipments can work to its highest capacity throughout its usage life period. Each contract is for 1 year and most of our clients will renew this contract on a regular basis because without a proper maintenance, the machine cannot run effectively. The company also provides maintenance services to equipments that are not in the maintenance agreements on a case by case basis depending on the issues that have arisen such as Chiller system maintenance or air-conditioning system maintenance. Moreover, the company also provides upgrade services to the software system related to radiotherapy which helps the system to be more effective such as software upgrade for the treatment planning system.

The company has a clear policy in handing over the equipments which must be accurate according to the agreed time frame in the contract including the quality of the product must be according to the purchasing agreement as well as the commitment in quality control of the installation and maintenance service throughout its usage life.



Assets in Business Operations

Assets Table as of December 31, 2021

(Unit : Million Baht)

Asset Types	Asset Description	Ownership	Contingencies	Net Value	Usage
1. Equipments	Small medical equipments	Company owned	-No-	1.32	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-	1.24	To use within the office
3. Rental Office Renovation	Renovation of the company's rental office located at 92/45 16th Floor, and 92/32 14th Floor, Sathorn Thani 2 Building, Sathorn Nua Rd., Silom, Bangrak, Bangkok	Company owned	-No-	2.06	To use within the office
4. Business office	92/32 14 th Floor, Sathorn Thani 2 Building	Company owned	-No-	21.38	To use within the office
Total				26.00	

Intangible Assets

As of December 31, 2021, the company's intangible assets include computer programs whose net value is 1.01 Million Baht

Important Contracts in Business Operations

- Distributor Agreement in Thailand and Cambodia about radiotherapy Products with Varian Medical Systems Pacific, Inc.

Investment in the Subsidiary Companies and Associates

To consider an investment in a subsidiary company or associate, the company will focus on the business that will support and benefit the operations of the company first by taking into account the profits, risk and liquidity of the company carefully. The investment must be considered by the Board of Directors and Shareholders Meeting according to the approved authorization and must be done in accordance with the requirements and announcement of the Capital Market Supervisory Board and the Stock Exchange Market of Thailand as well as any related laws, rules and regulations and order announcements. The company will monitor the consideration by assigning members of the board of directors or the directors of the companies as a board member to control the direction and policy in management to align with company's business operations.

- As at December 31, 2018 the company invested in subsidiaries company held the Extraordinary General Meeting of Shareholders No. 1/2018 held on January 9, 2018. The meeting approved the investment in specialized cancer hospital. The company set up a joint venture with a registered share capital of 200 million Baht divided into 2,000,000 ordinary shares with a par value of 100 Baht each. The company will hold 65.00% of the registered capital. It was registered with the Ministry of Commerce, the company name is Cancer Alliance Co., Ltd. on January 12, 2018.
- As of December 31, 2021, the Company has investments in subsidiaries. which arises from the resolution of the Extraordinary General Meeting of Shareholders of the Subsidiary No. 1/2021, held on July 23, 2021 to approve the increase of the Company's registered capital from 200,000,000 Baht (two hundred million Baht) divided into 2,000,000 common shares (Two million shares) at a par value of 100 Baht (one hundred Baht) to a new registered capital of 250,000,000 baht (two hundred and fifty million baht only) divided into 2,500,000 ordinary shares (two million and five hundred thousand shares). this time in proportion to 65.00 percent, representing the number of newly-issued shares in proportion to 325,000 shares, representing 32,500,000 Baht, which on July 29, 2021 had already paid for 40% of the capital-increasing shares, amounting to 13,000,000 Baht, remaining Another 60% is expected to call for capital increase by the middle of year 2022.

Unfinished Project

The company has projects that have not yet been delivered with a value that is more than 5 percent of the total revenue according to the consolidated financial statements for the year 2021, totaling 2 projects with a total value of 594.00 million Baht with delivery date for all projects within the year 2022.

(Unit : Million Baht)

No.	Project	Project Value	Expected Delivery Date
1	Distribute and installing radiation treatment machines (1)	205.00	within year 2022
2	Distribute and installing radiation treatment machines (2)	389.00	within year 2022
Total		594.00	

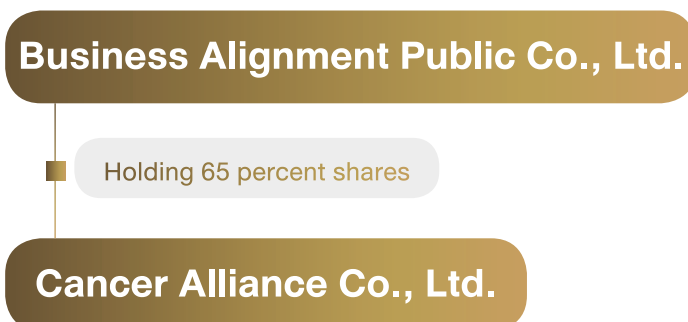
Source: Company's data

However, the accounting standards to recognize the revenue of the company specifies that the revenue will be recognized once the project is complete and handed over. Therefore, if the mentioned unfinished project postpones its hand over date or fails to hand over according to schedule, which mostly occurs due to the unreadiness of the hospital or the space where the machine needs to be installed, this will affect the hand over date and the revenue recognition of the company for each accounting term.



Group of shareholding structure

The company converts into a public company. Register number is 01075 5900 0079 on March 21, 2016 and as of December 31, 2021. The company has the shareholding structure of the group companies as follows



From the shareholding structure, no person with possible conflict of interest holds more than 10% of the shares with voting rights of the company.

Relations to Business Groups of Key Shareholders

Related Company

Sathorn Sixteen Company Limited

Established Date	July 10, 2014
Head Office Address	92/45 Sathorn Thani 2 Building, 16 th Floor, Sathorn Nua Rd., Silom, Bangrak, Bangkok
Business Operations	Real Estate Rental
Registered Capital	1 million Baht
Paid-up Capital	1 million Baht
Relations	Common directors and common shareholders who are Mr. Sompong Chunekitiyanone Mr. Voravid Silapusid Mr. Noppadol Suntanaphanich

Subsidiary Company

Cancer Alliance Company Limited

Established Date	January 12, 2018
Head Office Address	529 Moo 3 Nongkham, Sriracha, Chonburi
Business Operations	To operate specialized hospital for cancer treatment
Registered Capital	250 million Baht
Paid-up Capital	220 million Baht
Relations	The Company's shareholding proportion in the subsidiary Company totally 65.00% and common directors who are Mr. Sompong Chunekitiyanone Mr. Voravid Silapusid Ms. Srirat Chuchottaworn

Company shareholding structure Cancer Alliance Co., Ltd. (holding shares more than 10%)

NO	Name	% Shares
1	Business Alignment Public Company Limited	65.00%
2	Mr. Pitayapoom Pataranutaporn	19.90%
3	Other Shareholders	15.10%
	Total	100.00%

Shareholders Structure

The company has a registered capital of 220,000,000 Baht and a paid-up capital of 200,000,000 Baht, divided into 400,000,000 ordinary shares with a par value of 0.50 Baht per share. List of major shareholders of the company as of December 30, 2021 are as follows:

No.	Shareholder Name	No. of Shares	% of shareholding
1	Mr. Sompong Chunekitiyanone	128,470,000	32.12%
2	Group Family Silapusid (Related Person)	123,988,000	31.00%
	2.1 Mr. Voravid Silapusid	121,000,000	30.25%
	2.2 Mrs. Sivika Silapusid	2,988,000	0.75%
3	UBS AG LONDON BRANCH	37,066,700	9.27%
4	Mr. Noppadol Suntanaphanich	24,000,000	6.00%
5	Thai Nvdr Co., Ltd.	6,345,110	1.59%
6	Mr. Sunthorn Danchalermnon	5,400,000	1.35%
7	Mrs. Sarin Chinudomsap	5,000,000	1.25%
8	Mr. Kittisak Chinudomsap	4,699,300	1.17%
9	Mr. Kittipong Phattarachaikul	3,285,000	0.82%
10	Mr. Sithsila Silapusid	2,260,101	0.56%
11	Other Shareholders	59,485,789	14.87%
	Total	400,000,000	100.00%

Source: Thailand Securities Depository Co., Ltd.

Dividend Policy

The company has set a policy for the annual dividend to be paid out at a rate of not less than 40 per cent of the net profit after the deduction of all reserves as defined in the Articles of Association and the law, barring the occurrence of other necessitating events, and in the event that dividend payout does not significantly affect the normal operations of the company.



However, these dividends are subject to change depending on operation results, the company's financial situation, liquidity, investment plans as well as factors impacted by the business administration, and other necessitating events or situations which may appropriate a change in the future. Payout shall be made at the discretion of the Board of Directors, as the aforesaid dividends are under their jurisdiction. In any case, the Board of Directors' resolution to approve any payment of dividends must be proposed to the shareholders' meeting for consideration, except in the case of an interim dividend payment. The Board of Directors has the authority to approve an interim dividend payment, providing it is reported at the following shareholders' meeting.

For the subsidiary company, the dividend payment policy has not yet been determined. Which includes the annual dividend and interim dividends or benefits or any return to the shareholders of the subsidiary. As the subsidiary company still has debt from bank loan application for the subsidiary's main objectives.

Dividend payout ratio

Year 2108/19	Year 2019/20	Year 2020/21
78.79%	82.87%	83.62%

Dividend payment details	Year 2108/19	Year 2019/20	Year 2020/21
Net Profit (million Baht)	84.74	120.67	71.75
Net Profit After Legal Reserve (Million Baht)	81.23	120.67	71.75
Dividend payout ratio per share (Baht)	0.16	0.25	0.15
Total amount of dividends paid (million Baht)	64.00	100.00	60.00

Amount of registered capital and paid-up capital

Registered Capital	: 220 million Baht
Paid-Up Capital	: 200 million Baht
Par value per share	: 0.50 Baht
Type and amount of Outstanding Share	: Ordinary shares, 400 million Shares
Types and amount of unissued Shares	: Ordinary shares, 40 million Shares

In this regard, 40 million unissued shares with a par value of 0.50 Baht per share to support the exercise of BIZ-W1 warrants.

Other securities issued:

As of December 31, 2021, the company has warrants to purchase shares to the existing shareholders of the Company in proportion to their respective shareholdings (Rights Offering) free of charge. at the allocation ratio of 10 existing ordinary shares per 1 unit of warrants, summarized as follows:

Name of Warrant	BIZ-W1
Type of Warrant	Specific named certificate and transferable.
Number of ordinary shares Issuable upon the exercise	Not exceeding 40,000,000 shares

Price per unit	0.00 Baht (Allocation to existing shareholders at no cost)
Allocation method	Allocated to the Company's shareholders in proportion to their shareholding (Right Offering) in the allocation ratio of 10 existing ordinary shares (par value of Baht 0.50 per share) per 1 unit of warrant. The Company determines the list of shareholders of the Company who are entitled to receive warrants to purchase ordinary shares on October 28, 2021 (Record date).
Exercise ratio	1 unit of Warrant shall be entitled to purchase 1 newly issued ordinary share, unless the exercise ratio is adjusted otherwise pursuant
Exercise Price	7.00 Baht per share, unless the exercise price is adjusted otherwise pursuant
Issuance Date	November 3, 2021
Duration of Warrant	1 year from the issuance date. In this regard, after issued warrants the Company won't expand the period of warrant.
Exercise Period	Warrant holders can exercise their rights to purchase the Company's shares two times on May 2, 2022 and November 2, 2022 ("Exercise Date"). The first Exercise Date on May 2, 2022 and the last Exercise Date is the date that the Warrants are of 1 year from the date of issuance, which falls on November 2, 2022.



Risk Management Policy

The company has setup a systematic risk management policy throughout the organization. The Risk Management Sub-Committee under the Executive Committee. The policy is to set the system and assess the risks, both from the external factors, the management and from working in the organization. Set up the guidelines for risk management at an acceptable level. Communicate to employees to be aware of the importance of risk management. The company's risk management process is as follows.

1) Policy formulation and risk management

Determine policy, objectives, scope of responsibilities, principle and guidelines for risk management in accordance with the strategy, goals, business plan and direction and it will work together with the business plan to be consistent.

2) Risk identification

Identifies risks that may affect the achievement of objectives and goals. Considering the risks external and internal factors such as environment, financial, law, information system, decision-making information system, the satisfaction of investors, investment management, human resource reputation and image of the company. the risk by prioritizing the control system. If it is high and very high, the company will take the risk to analyze it for management.

3) Risk analysis

An analysis to assess the level of remaining risk after the assessment. Existing control systems and prioritization of risk. If the risk remains high or very high. Risk management measures should be set forth immediately by senior management responsible. if the risk is moderate or low assign to management measures at the department level or modify the process.

4) Risk management

It defines how to plan an important risk management. It is classified in the risk analysis process. There are several ways to manage risk, such as risk transfer control, avoiding risk, take advantage of the risks or acceptance risk.

5) Monitoring and Review

It is the process of monitoring the risk management plan including risk assessment. The Risk Management Sub-committee will monitor and report to top management and the Audit Committee.

Key Risk Factors

The company has the following key risk factors.

Business Operations Risks

1) Risks from dependency on the key manufacturer in USA

In distributing radiotherapy medical equipments such as LINAC, treatment planning system and radiotherapy patients database system, the company imports products from Varian Medical Systems Inc. and its group of companies ("Varian") from USA and the key manufacturer and distributor of radiotherapy medical equipments and software system, as well as proton beam therapy and mineral implant therapy using advanced technology

including x-ray tube for medical purposes and linear accelerators for container inspection using high energy x-ray. Varian is regarded as the high quality manufacturer and distributor of radiotherapy equipments and is highly accepted among the radioltherapy industry both domestically and internationally.

The company was appointed as the exclusive importer and distributor of Varian in Thailand since the establishment of the company until now which is more than 20 years. The ratio of the cost of sales and service from Varian in the year 2019-2021 is 454.47 million Baht, 372.47 million Baht and 1,487.94 million Baht which accounts for 73.72%, 64.89% and 66.43% of sales and service cost respectively.

From the data above, it can be seen that the company has high dependency on Varian for its business operation. Beside from the cost ratio from Varian which shows high dependency from the company for its business operation, the Varian products both LINAC, treatment planning system and radiotherapy patient database system are considered as the main products which generate the main revenue for the company and is key to the company's success in selling other supporting products. Therefore, if the company fails to continue to be the exclusive distributor of Varian or in the case where Varian faces any problems in its business operation and becomes unable to distribute to the company, this will have a dramatic impact on the company that could make the company unable to continue its operation.

Guidelines for risk management

The company has been working with Varian since the establishment of the company and the company has been appointed as the exclusive distributor since 2000. Throughout this time, the company has been able to operate its business well and has been an important part in distributing Varian products to Thai clients. Moreover, Varian is the key medical equipments and software system provider for radiotherapy in USA and is registered on the New York Stock Exchange. So, the chance of a problem in Varian's business operation is low and the company strongly believes that it can remain the exclusive distributor in Thailand continuously. We have had strong partnership and there is no reason for Varian to cancel the appointment as the exclusive distributor in Thailand

2) Risk from not able to follow the key conditions as stated in the appointment agreement with Varian

In the appointment agreement with Varian, it has stated some conditions of being a distributor which could be a risk in the business operations in the future. That is the duration of the current contract which is for a period of 1 years (October 1, 2021 - September 30, 2022). Therefore, should Varian decide not to renew the contract with the company, this poses a risk for the company depending on the stated duration in the agreement

Guidelines for risk management

The company does not see any concern in the renewal of the contract based on the past 21 years performance of the company and the continuous renewal of the contract for the past 21 years which shows the trust and dependency between the company and Varian.

3) Risk from the increase of competition

The medical equipments import business is a fast-growing industry especially the ones with advanced technology such as radiotherapy machine which Thailand cannot manufacture and must be imported from overseas. To do so, the company needs to have registered for a license to manufacture or import the medical equipments according to the law. However, this does not stop new competitors to enter into the industry much.

Therefore, the company has the risk of new competitors and also the risk of Varian to run its own operation in the country against the company. This will not enable the company to continue its operations as the key products of the company are from Varian.



However, the company views that the rising of new competitors or for Varian to run its own operations in the country are highly impossible due to 3 reasons.

Firstly, radiotherapy equipments that are highly-accepted by the medical personnel domestically and internationally only come from 2 key manufacturers. One of them is by Varian Medical Systems Inc. (Varian) from USA which the company is representing. The other is by Elekta AB from Sweden which the company's competitor is representing. Therefore, the risk in new competitors within the country that will have the same potential as the company is very unlikely as the distribution of medical equipments especially ones related to cancer treatment requires knowledge and expertise in the product. Moreover, the company has its strength in being the solution provider for the clients which includes providing the equipments and supporting equipments, renovating the space to be suitable for installation and after sales maintenance service. And the reputation of the company for over 21 years has build strong credibility to Varian which means that the chance that Varian will change its distributor is highly unlikely as there is a chance that the new distributor might not be able to operate up to the standard of the company which will reflect negatively on Varian itself.

Secondly, Varian has its cost both monetary and time in managing the sales, marketing and after-sales service. To run the mentioned operations in a non-familiar territory to Varian might not be worth it especially when compared with the sales ratio in Thailand. As a result, to appoint a distributor who is familiar with the territory and target clients and understands the culture and enviroment of its own country is probably better and can create more value to Varian.

Lastly, Varian alone cannot serve the needs of the clients in Thailand which need a full circle solution provider who can take responsibility in all aspects including space preparation to installation like what the company is currently operating. As this makes the clients experience more convenient, faster and less complicated. When comparing with other countries such as Singapore which does not need a distributor who is a solution provider, this allows Varian to be able to operate its own business there where clients will take care of the other aspects themselves. The company sees that as long as the needs of Thai clients still remain this way, it will be impossible for Varian to compete with the company.

Guidelines for risk management

Though the company has many advantages, it still realizes the risk in business competitions. Therefore, the company has the policy to differentiate itself through better service quality as well as improving the effectiveness of the company's work process. The company believes that we can maintain and improve the capacity of the company for the distribution of these products in Thailand in the long run.

4) Risk from Revenue Recognition Standard based on Accounting Standards

The key revenue of the company comes from distributing and installing the medical equipments for radiotherapy patients. Most of the sales revenue comes from high value projects which usually are the ones where the key product is the teletherapy machine which is worth 50-250 million Baht on average per project. The standard for recognizing revenue based on the accounting standards stated that the company may recognize new revenue only when the company has transferred the risk in the product to the client. For large scale projects, this will take approximately 210-360 days (from the signing date) to complete the project and hand over to the clients and recognize the revenue at one time. Therefore, should the company not be able to install or hand over the project within the scheduled accounting terms or the project was postponed, the company will face the risk of unstable income on each accounting term as the revenue will have to be moved to the following term once it has been handed over.

Guidelines for risk management

The company fully realizes the risk from using this standard, and it focuses mainly on the management of the project to ensure that everything will run according to the scheduled time frame. In the past, the company never fails to hand over the project to the clients on time unless the reasons were from the clients' unreadiness for the company to install the machine which caused the postponement in the revenue recognition.

5) Risk from most customers are hospitals affiliated with the government.

In the past, the company's target clients are mainly hospitals affiliated with the government. One key factor that sets the need for these hospitals to order from the company or not is the budget allocated from the supervised department. This means that even if the hospitals would like to purchase from the company but if the budget allocation does not support the purchase, the hospitals may not be able to order. This will have a dramatic impact on the sales revenue of the company and may affect the operation for each accounting term.

Moreover, the annual budget allocation for the governmental departments is done on a seasonal basis which means that it will cover the period from October 1 to September 30 of the following year. In each fiscal year, if the clients are allocated with sufficient budget, the purchase order may begin and contracts will be signed during the 4th quarter (after budget allocation). Then, it will take the company between 210-360 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 mentioned nature of the annual budget, it can be seen that the company will see higher revenue in the 3rd and 4th quarter of the year while the 1st and 2nd quarter, the company may not see high revenue as there may be no hand over of high value projects.

With the 2 reasons above, the company may face the risk of not receiving the purchase order from public hospitals if they are not allocated with sufficient budget in each fiscal year, together with the nature of the annual budget allocation also mentioned above may cause the company to generate low revenue continuously on each accounting terms. These factors affect the unstable and fluctuated income of the company

Guidelines for risk management

The company still has another revenue from maintenance service which is another continuous revenue following on from the key products of the company and this income is a more stable one for each year. This means that if the company can increase its sales of products, it will gain more revenue from maintenance service which will bring more stability to the company's overall revenue

6) Risk from the niche nature of the business in terms of products and market conditions

The key products of the company such as LINAC or hardware and software of the treatment planning system are specialized products with advanced technology with high value and low manufacturers. These factors impact the nature of the market condition of this business. In another word, the target clients of the company are in a niche market which is only for public health services. Moreover, the key products of the company especially the LINAC has an average life of 12-15 years until another machine is required to replace the old one. The change in the technology of the LINAC may require a long time to develop and experiment as it is the medical equipments with direct effect to the patients. Therefore, the market condition and demand in the products may be limited to these clients only and to the limited time frame that take a long time before another replacement machine is needed. If we look at the data of the life of the LINAC by Varian above, 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.



Guidelines for risk management

The company realizes this risk in unstable and fluctuated revenue as it is a key factor that will impact the business operations and revenue of the company. The company does not see that being in a niche market will affect the operations of the company as there is not enough radiotherapy machine for cancer patients anyway based on the data from World Health Organization which suggested that the trend of cancer patients in Thailand is likely to rise continuously. This is not enough to serve the patients as each LINAC has the capacity to treat 400-500 patients per machine per year. With this reason, the company feels that the existing target clients will still have the demand to purchase the products continuously and the budget allocation to the target clients (both for public and private hospitals) will become essential and will be the opportunity that the supervised departments must consider to invest in product.

7) Risk in following the related orders, rules and regulations

In operating the distribution and installation of the radiotherapy machine by importing from the expert company overseas including the maintenance service, the company must follow the orders, announcements, rules, regulations, act and related law such as 2008 Medical Device Act, Ministry of Public Health Announcement, FDA Orders and Announcement, 2008 Responsibility for unsafe products Act by the Office of the Consumer Protection Board, Office of the National Anti-Corruption Commission 2011 Announcement on the criteria and process of accounting showing the P&L of the projects that an individual or a juristic person agrees with governmental agencies. This is to control the business operations of the manufacturers, importers and distributors of medical equipments and to protect the safety and rights of the consumers. Moreover, as the target clients are university hospitals, cancer hospitals under the Ministry of Public Health and other public hospitals which uses electronic bidding or special procurement process, the government has develop the procurement system to be more effective and of high standard.

Therefore, as the business operations under the control of the law, rules and regulations above, the company must follow to them strictly because if the company fails to do so whether by human error or ignorance, it may result in the halt in the company's operation and could incur additional cost to the company. For example, if the company fails to renew its license to import medical equipments in time, the company may not be allowed to import the product which caused the company not to be able to sell the product to the clients which in the end will result in the delay in the hand over of the project and affect the revenue of the company.

Guidelines for risk management

To reduce this risk, the company puts the emphasis on the communication to all employees to realize the importance of following orders, announcements, rules, regulations, act and related law and following up on any changes to these rules and regulations from observing government announcement or communicating with the clients on a regular basis. In addition, the company also focuses on monitoring the license and other related documents in distributing the products of the company in every step to ensure that everything is under control and will not cause the delay in the hand over of the project to the clients. Since its establishment, the company has never had an issue related to this that have caused a loss in the business operations.

Management and Administration Risk

1) Risk from Dependency of the key Directors

At present, the key Directors of the company includes Mr. Sompong Chunekitiyanone, Director, Executive Chairman, Chief Executive Officer and key shareholder of the company for 32.12% of the paid-up capital as of December 30, 2021 and Mr. Voravid Silapusid, Director, Executive Director, Chief Financial Officer and Human Resources Director and key shareholder of the company for 30.25% of the paid-in capital as of December 30, 2021. Both of them have been in the business for a long time with clear visions and has the direct responsibility to set the policy, directions and business operations of the company.

Guidelines for risk management

Therefore, the change in these mentioned Directors may cause the company to face an issue in its future business operations. To decentralize and reduce the risk on the dependency of these key directors, the company has set up its organization chart to include honorable directors with long-term experience in management and operations and allow managers of different levels to take part in the decision and setting the directions of the company more. The company also decentralize the management authority and responsibility clearly. However, Mr. Sompong Chunekitiyanone and Mr. Voravid Silapusid will still be the ones who set the main policy of the company. As for the other details, these will be decided by other members of the management team to reduce the risk in dependency on the key Directors.

Financial Risk

1) Risk from the fluctuation in foreign currency exchange

As the medical equipments need to be imported from overseas such as USA, Germany, UK, and Sweden which sets the payment conditions to be paid in foreign currency. In the year 2019-2021, the company imports account for 61.4%, 48.83% and 67.36% of the sales and service cost respectively. Therefore, the company may face a risk in the fluctuation of the foreign currency exchange. If there is an economic situation that softens the Thai Baht when compared to the foreign currency, this could have a negative effect on the overall operation of the company as can be seen that in the year 2019-2021, the company's profits and loss from foreign currency exchange are at 1.00 million Baht, (16.48) million Baht and 7.00 million Baht respectively.

Guidelines for risk management

However, to reduce the effects from the fluctuation in the foreign currency exchange, the company has the policy to manage the risk by using currency hedging for foreign currency. The company has no policy in gaining profits from this fluctuation whatsoever. Therefore, the company sets its policy that if the company uses Letter of Credit, the company will do forward contract and use the currency exchange as of the date of the contract. Moreover, the company also monitors and assesses the risk in foreign currency exchange through economic news analysis for its business operations.

2) The risk of entering into a Loan Agreement

Due to the business of selling and installing medical kits for the treatment of cancer patients with radiation therapy. Most of the Company's radiotherapy projects are large projects. The average project value is approximately 50 - 400 million Baht per project which the company has loan from financial institutions to purchase medical equipment for each project. If interest rates increase, this may cause the company to have higher interest costs on loans.

Guidelines for risk management

Therefore, that the interest rate in the money market fluctuates or increases. There is no material impact on the company's project. Because the company loan from financial institutions for a short term of not more than 6 months.



Impact of COVID-19 and Company Management

Events taking place around the world and has had many impacts on all sectors in the past 2 years. That is the epidemic of coronavirus (COVID-19), which is a big event. that although not directly affected but still need to adjust in many matters. In order to comply with the measures of the Coronavirus Disease 2019 Epidemic Administrative Center (CDC), the company has issued measures to control and manage the situation. which consists of operational guidelines for the timely response to the situation (Emergency Response) for the management of the COVID-19 crisis (Crisis Management), including mitigation and taking care of stakeholders as the company can do.

Measures to control and manage the impact of COVID-19

The company has a measure for all employees. Act to prevent and control the spread of COVID-19 in order to prevent the situation from spreading further. The aim is to encourage employees to show their sense of responsibility to the society as a whole, to behave themselves in order to avoid the risk of contracting COVID-19, and to avoid various risk factors, whether it is avoiding going to a community area, a place where events need to be gathered, Avoid close contact with or contact with people who are expected to be at risk of contracting the disease and it is considered understood practice. Planning work that reduces and avoids travel to perform duties as responsibilities by allowing them to work from their own home or accommodation. Plan time-lapses for departments that still need to work in the office. To reduce the risk of traveling with many people during rush hour. Prepare a back-up plan for work, if there is a necessity that prevents the performance of duties including long-term planning for working within the team and planning jointly between departments to support remote work or working in the New Normal.

Management of the Company's COVID-19 Crisis (Crisis Management)

The objective is to coordinate the cooperation of all departments in coordinating, directing and communicating in the event of an emergency due to the COVID-19 pandemic in order to prevent, prepare and manage the incident quickly and efficiently. By providing an emergency action plan in the event that employees suspect or find themselves at high risk In the case of contracting with the COVID-19 virus or in the event that an organization's employees are infected with the COVID-19 virus, the company has designated responsible persons in the event of an emergency situation in the event of a COVID-19 crisis, both in the part of employees, customer and partner for clarity and flexibility in coordination.

General and other important information

Common Shares Securities Registrar : The Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building
1st Floor, Tower B (next to Chinese Embassy)
93 Ratchadaphisek Road, Dindaeng
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Financial Advisor : Fin Plus Advisory Co., Ltd.
944 Samyan Mitrtown Room No. 1203
12 Fl., Rama 4 road, Wangmai, Pathumwan, Bangkok
Tel : +66 2116 9559

Other important information that may have effect to decision of the investor is significant: None

Legal Disputes

As of December 31, 2021, the company has no legal dispute that may bring negative consequences to the business operations of the company and the company has no legal dispute that may bring negative consequences to the assets of the company which is worth more than 5% of the shareholders.

Secondary market or fixed financial institution: None

Driving Business for Sustainability

Sustainable Management Policy and Goals

Board of Directors committed to operating the business for stable and sustainable growth, create business growth opportunities to meet and create added value for shareholders and stakeholders in all sectors. By focusing on building business success. The company also takes part in taking care of society. And environment to respond to all groups of stakeholders By adhering to the principles of good governance, corporate governance and business ethics. As well as giving importance to human resource development to have knowledge and virtue Promote knowledge And quality of life human rights respect. The business operation of the organization will be performed in accordance with the vision and mission that “People to be able to access the modern technology and equality with developed countries and be the center for development in curing patients with the hospitals, doctors and medical personnels especially for cancer”

Managing stakeholder impacts in the business value chain

Business value chain

1. Build relationship with customers by offering information about medical devices
2. Ordering and importing medical devices from abroad
3. Quality inspection of medical devices
4. Training
5. Delivery of goods
6. Maintenance



Stakeholders in the business value chain

Stakeholders	Chanel	Expectation	Key operations
Patients	- Participation in activities with hospital customers, especially those related to cancer patients.	- Treated by quality tools - Quick access to treatments and modern technology	- Distribution and installation of quality radiation medical equipment - Establish a specialized hospital for cancer so that patients can have access to good and modern technology.
Employees	- Top management communicates through middle management And/or various channels to directly convey to employees - Annual performance evaluation - Training/ Seminars to develop the capabilities of employees according to the plan	- Developing potential for advancement and stable in work. - Getting appropriate compensation and benefits - Management of the working environment that takes into account work safety and quality of life of employees - Strict compliance with labor laws	- Compensation management and appropriate and fair welfare - Treating all employees with equality and respect for basic human rights - Providing opportunities and career advancement - Training and developing of employee potential - Arrangement of a working environment that takes into account work safety
Shareholders	- Shareholder Meeting - Company website - Annual Report - Management Discussion and Analysis (MD&A)	- Good returns - Operations with responsibility towards socail, environment and business operations in accordance with corporate governance principles	- Appropriate dividend payment to shareholders - Organization management and development for sustainable growth - Business expansion to accommodate changes and risk of interruption
Customers	- Distribution of quality medical equipment - Meeting and visiting customers - Customer satisfaction survey - Training and providing knowledge and skills to clients or participating in activities with clients - Listening to opinions and various complaints	- Delivery of quality medical equipment - Understanding the needs of customers Providing appropriate assistance and support to customer needs - Contact, follow-up, and maintain after-sales service according to the specified period - Equal treatment of customers - Confidentiality - Fair pricing	- Developing and responding to customer needs regularly - Pay attention to and be responsible to customers for both quality and good service - Building confidence, building the image of the company - Customer satisfaction survey - Responding to and handling complaints - Anti-corruption and transparency in work - Code of conduct for keeping information and confidentiality - Attention to fair pricing under the pricing policy



Stakeholders	Chanel	Expectation	Key operations
Partners	- Discussion meetings and chats prepare a memorandum of understanding - Exchange of ideas and giving feedback suggestions for improvement	- Compliance with commercial terms - Compliance with commercial terms - Promotion and support of activities and participation in problem solving - Conduct business within the framework of the law - Anti-Corruption	- Strict adherence to trade terms and conditions - Treat trade partners with fairness and equality - Providing suggestions and directions for joint business development - Communicating and providing accurate trade information - Formulation of policies on procurement - Do not support or buy products that contain copyright infringement, or violate human rights
Creditors	- Disclosure of accurate, complete, transparent and timely financial information - Communication, discuss and answer questions Listen to opinions and suggestions.	- Compliance with the terms and conditions - Fair treatment of creditors	- Compliance with financial agreements and repayments of loans - Not taking advantage and being responsible for creditors
Competitors	Participation in activities of related information and new technology about medical devices	Following good competition rules, according to relevant rules, regulations and laws	- Not destroying the reputation of commercial competitors - Compliance with the Rules of Good Competition - Not to infringe on the copyright or intellectual property of others.
Society, Community and Environment	- Participation in various activities with communities or society - Listening to suggestions and receiving complaints - Whistleblowing of fraudulent acts or illegal acts	- Promote and support social activities that benefit the community and society. - An emphasis on anti-corruption	- Promote and support activities related to society, community and environment - Responding to and handling whistleblowing - Fair fraud investigation (if any)

In addition, the company provides opportunities for employees and stakeholders. There is a way to contact the company. Any doubts about whether it will be in compliance with ethical standards in business or have complaints or have a suggestion. Employees and stakeholders can ask for their complaints, comments directly through the independent directors or company secretary. To serve as a unit to receive ethical complaints in the business as follows.

1. Postal Mail:

Attention to
Independent Director (Complaint and Suggestion)
Business Alignment Public Company Limited
92/45 Sathorn Thani Building 2, 16th Floor, North Sathorn Rd.,
Silom, Bangrak, Bangkok 10500

2. E-Mail

biz-cg@bizalignment.com

Complaints and/or proposals will be addressed to all independent directors. To be continue the investigation as well. The company provides a process for dealing with matters that employees or whistleblowers including disclosed guidelines for protecting complainants, whistleblowers, cooperative investigators on the company website www.bizalignment.com Investor Relations menu and then Sustainable Development menu

Sustainability management in the environmental dimension

The company business does not affect the environment directly. However, the importance of environmental conservation and conservation and preservation of natural resources by cultivating awareness among employees by providing knowledge through communication and campaigning for employees to know how to environmental management such as water saving, electricity saving, efficient use of resources, waste and waste separation in order to contribute to environmental responsibility. Including campaigning to promote and support environmental conservation and make the best use of natural resources.

1. Adopt digital technology for meetings to reduce printing and paper consumption.
2. Encouraging data collection by scanning the data in soft file format instead of hard copy document storage. The company has started to store various documents.
3. Encourage communication by email instead of using paper for sending documents within the organization. Including the cost-effective use of paper by printing both sides and recycle. Verify the documents are correct. before printing. Reduce the amount of printing and discarding.
4. Supporting and using environmentally conscious products, by selecting products and products which friendly with enviromentl or packaging that can be refillable. To reduce the impact that may arise from the production of various packaging, etc.
5. The campaign to save electricity and water use within the organization is closed when not in use.

The company has provided training, knowledge and communication to employees. About this policy and practice in environmental stewardship Allowing new employees through orientation and for employees at all levels to communicate via supervisors, including through the company's internal newsletter of the month Raise awareness among all employees to be involved in environmental protection both inside and outside the organization.

Water saving campaign and electricity saving

The company campaigned for employees at the headquarters. Have awareness of water saving and save electricity. By turning off electricity, lights and appliances during lunch breaks or during periods of inactivity. As well as to save water for consumption, etc.

Electricity usage

	Electricity consumption (units)
Year 2020	69,851
Year 2021	64,645

Water consumption data

	Water consumption (units)
Year 2020	5,714
Year 2021	6,128

Remark • The company began collecting electricity and water usage data in 2020 for the first year.

The company has an office rental building, that is managed by the building department. In addition to the normal use of tap water, its consumption herefore includes the number of units of the drain meter ฀aused by the use of heat from air conditioning as well.



Efficient use of resources

1. Reduce the amount of waste that may occur such as product selection with large packaging instead of small. Selecting products with the least impact on the environment
2. Reuse the packaging, put it into various appliances, reuse paper bags or plastic bags. Using paper on both sides, using cloth bags to reduce global warming. Use of clean and reusable food utensils.
3. Promote the recycling of waste (Recycle) by separating and collecting garbage in the office that can be used in the recycle, such as the desk calendar, max filling, etc. to be donated to the departments, there is a need for further use

Management to reduce greenhouse gas problems

The company gives importance to management to reduce greenhouse gas problems. The activities of the company that may affect the amount of greenhouse gas emissions in terms of energy consumption, such as the use of electricity from air conditioning. However The company is in the early stages of reviewing data collection to define goals, approaches and strategies to reduce future greenhouse gas problems which will reveal the processing time for further notice.

Sustainability management in the social dimension

The Board of Directors' Meeting has approved a Code of Business Conduct manual and Anti-Corruption Policies as guidelines for strict adherence by the company's Board of Directors, Management and all employees, to be enforced in all segments of the business in order to produce a management system that is efficient, transparent and verifiable, and which enhances the trust and confidence of shareholders, investors, stakeholders and all parties involved. These guidelines must be applied in all normal business operations from the procurement process with partners, product education, product research and services that do not affect the environment all the way to creating the awareness as to the roles and duties that constitute a good member of society. This is done by giving priority to engaging and building relationships between the company and society on the basis of accuracy, transparency, fairness and promoting activities that are beneficial to society and the community and the welfare of staff by establishing regulations for operational procedures in all areas that are clear and strictly enforced to ensure the safety and equality in the workplace. Directors, Management and staff must perform their duties with integrity, giving focus and paying close attention to customers as well as providing a quality product at a fair price to the company's customers and consumers, according to the ideals of honesty and integrity.

The company also has a system to maintain efficient corporate governance, preventing conflicts of interest, including corruption, through audits by certified public accountants and internal control system auditors who are licensed by the Office of the Securities and Exchange Commission in order to ensure that the company recognizes the rights of stakeholders, both as defined in the law and through company policy as relating to the treatment of shareholders, employees, customers, suppliers, etc.

Human Resource Development

The company gives importance to people which is the heart of the operation to achieve the goals. The company has a policy of enhancing and developing people to be knowledgeable, expertise and work experience. Have code of conduct and ethics in operating with honesty. Be responsible to oneself and other stakeholders by aiming for employees to apply their skills and knowledge to the development of service excellence. Including the initiative and dare to express opinions constructively. To expand and develop the business to meet and meet the needs of customers. Causing the company to have stable and sustainable growth. Create returns and create added value for stakeholders in the long term. The company provides training and knowledge development

(Training) for the executives and employees on a regular basis. For the company have the capability to operate in accordance with the policies and business plans of the organization. One of the mechanisms to drive the organization to be able to operate according to the vision and mission of the organization with efficiency and sustainable success

1. Principles of fairness and equality with a focus on the moral system. Fair treatment of all employees in regard to employment, promotion, work compensation including the prevention of unfair acts at all levels.
2. Integrity give importance to and adhere to the performance of duties of all levels of employees with honesty
3. Principles of respect for the individuality of employees emphasize and accept differences in the ideas, beliefs and lifestyles of employees while considering the rules as well as solutions to problems, it will take into account differences in ideas and beliefs, including treating with dignity and putting the self-esteem of employees as individuals.
4. Focus on quality of life. Including enhancing the quality of life of employees for the better. Due to the realization that quality of life plays an important role in job efficiency and is the motivation of employees. Which means quality of life includes job satisfaction, balance in work and personal life, working stress conditions, diversity in work pieces to reduce monotony including encouraging the assignment of appropriate decision-making power according to the competence of the employees (more empowerment).
5. Establishing good working conditions providing a safe, comfortable and a place to be proud for work

Human rights respect

The company realizes the importance of and respects basic human rights in all aspects of all personnel including

- Equitable treatment of all people according to human rights principles without discrimination. Respect for human rights treat each other with respect honor each other. Treat them equally without discriminating against physical and mental differences, race, nationality, country of origin, race, religion, sex, language, age, skin color, education, social status, culture, customs or any other matter.
- Avoid actions that violate human rights. Take precautions in performing duties to prevent risks of human rights violations in business operations, monitor the respect of human rights.
- Do not ignore or ignore any action that violates human rights. They must report them to their supervisors or persons in charge and cooperate in investigating the facts. If you have any questions or concerns, consult with your supervisor or the person in charge through the specified channels.
- Provide fairness and protection to all individuals who report human rights violations. By using measures to protect the complainant or those who cooperate in reporting human rights violations (Whistleblower Protection Policy)
- Provide opportunities for employees and stakeholders in all sectors can express their opinions through the company's recommendation channels.

Treating workers fairly

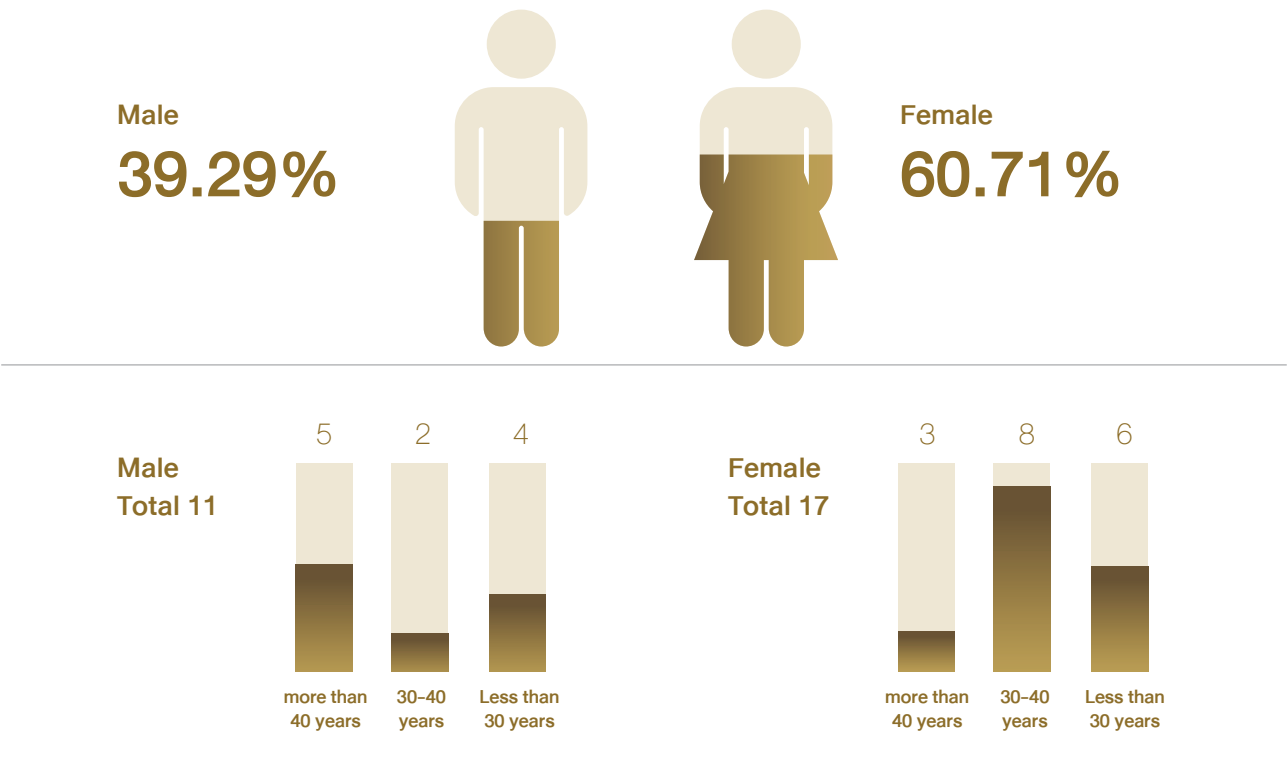
The company believes that the most important factor in business which adds value and benefit to the business is its human resources, since the company's operation in various fields requires knowledge, skills and dedication of both strength and resolve in working to achieve the goal. Consequently, the company has determined guidelines for the treatment of employees. Executives must treat employees fairly, manage the business without bias, build potential for the employees' advancement and efficiency in their work including promoting an understanding of appropriate conduct for employees, establishing suitable welfare for them and dealing with them sincerely by rationally hearing out their feedback and suggestions.

The company has a policy and practice of recognizing safety, healthy and working environment. As part of its success in business. All employees of the company must be secure, good health under working conditions and

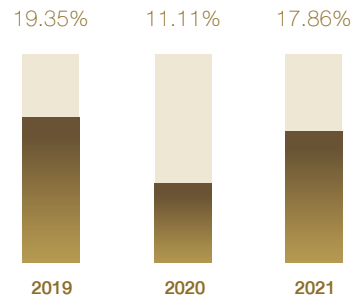


good environment prevent or accident statistics or strike rate. Employees are the most valuable asset and the key to success. Therefore, the company aims to develop culture and working environment. As well as promoting teamwork. Employees are treated with courtesy and respect for individuality. Employment, appointment and rotation of employees. It is based on merit and the use of human resources to the maximum benefit to the company. It also has a policy to supervise the management of compensation and welfare in a fair manner. Taking into account the various factors such as qualifications experience, level, position, responsibilities. In addition, the provident fund is provided for management and employees. The company also has strict adherence to the law on labor.

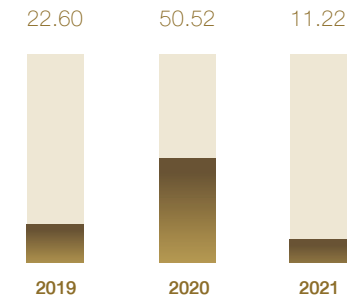
Employee proportion by gender (as of December 31, 2021)



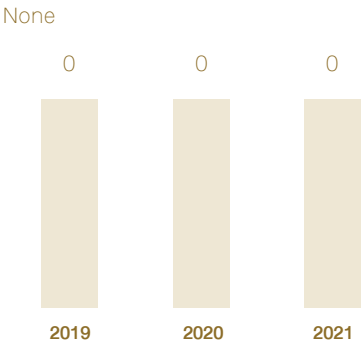
Employee turnover rate



Average number of training hours per person per year



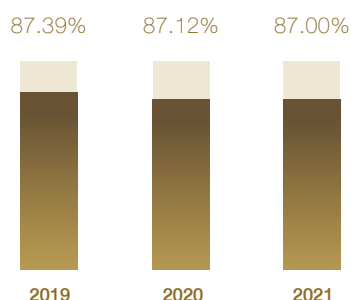
Accident statistics or strike rate



Responsibility to customers

Customers are the most important thing in doing business of all types. Organizations rely on customers Therefore, the organization must understand the needs of the customer. Both now and in the future and must try to perform. To achieve the needs of customers as much as possible. In order to maintain a good relationship with each other. The company has a policy to focus on the needs of customers as agreed. Relationship development And grow with customers as well as being trusted by customers which is the factor that leads to the success of the company's business. By treating customers with sincerity and humility to lead to the development of the highest quality and customer satisfaction.

Overall average satisfaction



	Year 2019	Year 2020	Year 2021
The products	88.43%	84.40%	85.60%
Sales & Marketing	82.60%	88.20%	88.40%
Services	86.46%	87.00%	88.00%
Sales support and training	91.86%	88.80%	88.00%
Project management	87.48%	87.20%	85.00%

Community or social development

With the company operating the distribution and installation of medical equipment for treatment of cancer patients with radiology. The company meets with doctors, medical officer even cancer patients. So, keep in mind that sometimes it will help cancer patients have knowledge in dealing with cancer correctly. To increase the survival rate and increase the quality of life for cancer patients in Thailand.

Activities in which the company has an opportunity and takes part in supporting that activities

- Activities related to cancer patients

Year 2017 the company and co-founder of the ART for CANCER project, an art project and creative work for poorer patients. The founders of the project found themselves cancerous and inspired the project since they were still in cure. By choosing the potential of art and creative work to raise funds to help cancer patients who lack treatment. To Siriraj Hospital, Ramathibodi Hospital and the National Cancer Institute. The project is to help each other. Starting from the main problems of society which related to the company's core products. To develop in the long run.

Year 2018 in co-sponsoring creative activities for society "Power Building Project Turn over the lives of 13,000 cancer patients. " The objective of the project is to help cancer patients have knowledge and understanding in dealing with cancer correctly In order to increase the survival rate and good quality of life for cancer patients in Thailand. This is an encouragement forward that will help patients overcome difficult times. To support the fund for the Survivor Planner, which will be distributed in the Survivor Planner and to provide cancer education, Planning treatment plans and recommending how to use Survivor Planner for patients, relatives, carers for cancer patients.



- Year 2019 The company had the opportunity to participate in supporting the work of Siriraj Cancer Oncology, faculty of Medicine Siriraj Hospital Mahidol University which collaborated with Art For Cancer by Ireal by Art of Life Social Enterprise Company Limited at CANCEL CANCER FESTIVAL 2019 to raise funds for “Precise medical fund in cancer” with the objective to promote research and integrated cancer care In accordance with modern knowledge integration guidelines together with personal genetic data analysis which will lead to accurate cancer treatment and suitable for most individuals.
- Year 2020 The company has prepared a project “Heart Box” for cancer patients. The goal is to organize such activities in hospitals in both public and private sectors at least 4 radiotherapy departments, by working with “Art for Cancer”

Other activities

SET Social Impact Gym

- In the year 2020, the company joined in “SET Social Impact Gym 2020” This is a project to develop business potential for social enterprise for social business people to run their business with strength and efficiency with the aim of social businessmen to take part in caring for society, whether in agriculture, vulnerable group in community development, education and environment and ready to expand the results for both business and society sustainably. Business Alignment Public Company Limited by Mr. Sompong Chunekitiyanone was joined volunteer coach to “NINE D OMNITECH COMPANY LIMITED” that social enterprise solves health problem by arrange home stay (capsule) for patient relatives who treat in clean and safe hospital at affordable price.
- In the year 2021, SET Social Impact Gym 2021 project under the concept of SE Empowerment Program, which is a project to develop the business potential for social enterprise entrepreneurs to operate businesses with strength and efficiency with the aim of social entrepreneurs to take part in taking care of and correcting society, regardless of dimensions: agriculture, vulnerable group, community development, health, education and environment so as to sustainably expand the business and social results. In the year 2021, Business Alignment Public Company Limited by Mr. Sompong Chunekitiyanone has joined as a Volunteer Coach participated as a volunteer coach for a total of 9.30 hours over 5 weeks for Jitta Arthon Social Enterprise Company Limited, which provides mental and health care services in a holistic, natural way in order to strengthen the ability to cope and deal with mental problems. Business Alignment Public Company Limited has come to give advice, opinions, in-depth recommendations in marketing, Identifying the strengths of the business in order to plan marketing strategies to reach target customers such as marketing strategies to meet target groups, strategies for working with partners including finding partners to work together, target market selection strategies or the use of technology for communication, etc. so that the company can reach the customer group according to the plan. As a result, Jitta Arthon Social Enterprise Co., Ltd. has learned various experiences and ideas and used them to develop to create sustainability in business operations to adjust the model or business operation to be more efficient.

maiA Virtual Run for Thai Red Cross Society” project

- In the year 2019 and 2020, join the activities of the “maiA Virtual Run for Thai Red Cross Society” project, the distance running project for charity. Organized by the Association of Listed Companies in the Market for Alternative Investment (maiA). All income after deducting expenses goes to the Thai Red Cross Society.

Good Projects for Cancer Patients

“Heart Power Box” for cancer patients

In the year 2020, the company has set up a project “Heart Power Box” for cancer patients. The goal is to organize such activities in both public and private hospitals, with at least 4 hospitals with radiotherapy departments by working with the project with Art of Life Social Enterprise Company Limited (“Art for Cancer”) and with the intention that the company wants to continue the project from year 2020 to be a continuation year.

“Art Care Set”

In this year 2021, we join with Art for Cancer by ireal, an inspirational social business organization, and improving the quality of life for cancer patients in every aspect. This year’s focus is on the mental health problems of patients. Due to physical illness with the “Art Care Set” together with a professional art therapist which can help take care of the mental state of the patient.

Project Objectives

- Help to take care of the mental state of the patient. It will also help reduce the burden of limited medical personnel.
- It is a healing tool. The patient’s mind at the time when the patient feels discouraged or discouraged and also makes the patient knowing the emotions. Through a process that we have co-designed with art therapists, where the patient can open only one player or You can play with the caretaker as well.

In the year 2021, the company delivered “Art Care Set” for 5 hospitals as follow;

- King Chulalongkorn Memorial Hospital
- Phramongkutklao Hospital
- Thammasat University Hospital
- Nakhon Tha Chalom Hospital
- Chonburi Cancer Hospital





Key Financial Data

Summary of financial position and results of operations

(1) Statement of Financial Position

Statement of Financial Position	Consolidated Statement as of 31 December 2019 Audited		Consolidated Statement as of 31 December 2020 Audited		Consolidated Statement as of 31 December 2021 Audited	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Cash and cash equivalents	102.41	6.18	206.56	10.16	323.37	17.89
Trade and other receivables	203.55	12.29	187.51	9.22	664.44	36.75
Construction contracts	22.77	1.37	7.19	0.35	0.00	0.00
Inventories	770.83	46.53	1,117.49	54.98	311.69	17.24
Other current financial assets	0.00	0.00	95.44	4.70	96.27	5.33
Other current assets	17.05	1.03	0.00	0.00	0.00	0.00
Total current assets	1,232.03	74.37	1,614.19	79.41	1,395.77	77.21
Other non-current financial assets	9.00	0.54	11.99	0.59	21.81	1.21
Property, Plant and Equipment – net	405.47	24.48	387.84	19.08	370.09	20.47
Rights of use assets	0.00	0.00	6.70	0.33	5.01	0.28
Intangible assets	0.42	0.02	0.54	0.03	1.16	0.06
Deferred tax assets	9.21	0.56	10.42	0.51	12.93	0.72
Other non-current assets	0.44	0.03	0.97	0.05	1.04	0.05
Total non-current assets	424.54	25.63	418.46	20.59	412.04	22.79
Total assets	943.42	100.00	1,656.57	100.00	1,807.81	100.00



(1) Statement of Financial Position (Continue)

Statement of Financial Position	Consolidated Statement as of 31 December 2019 Audited		Consolidated Statement as of 31 December 2020 Audited		Consolidated Statement as of 31 December 2021 Audited	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities and shareholders' equity						
Short-term borrowings from financial institutions	256.58	15.49	249.47	12.27	115.19	6.37
Trade and other payables	448.24	27.06	917.56	45.14	439.78	24.33
Current portion of long-term borrowings	11.55	0.70	9.49	0.47	13.07	0.72
Current portion of the lease liabilities	0.32	0.02	1.57	0.08	1.68	0.09
Income tax payable	14.06	0.85	6.58	0.32	45.17	2.50
Other current provisions	15.76	0.95	10.40	0.51	9.83	0.54
Other current financial liabilities	41.61	2.51	10.47	0.52	0.00	0.00
Total current liabilities	773.56	46.70	1,197.31	58.91	624.72	34.55
Non-current trade and other payables	0.00	0.00	0.00	0.00	87.04	4.82
Long-term borrowings	228.74	13.81	245.03	12.06	234.07	12.95
Lease liabilities	1.18	0.07	5.32	0.26	3.64	0.20
Deferred tax liabilities	0.00	0.00	0.00	0.00	0.06	0.00
Provisions for employee benefits	8.21	0.50	9.39	0.46	9.54	0.53
Other non-current provisions	0.50	0.03	1.10	0.05	7.60	0.42
Total non-current liabilities	238.63	14.41	260.84	12.83	341.95	18.92
Total liabilities	1,012.19	61.10	1,458.15	71.74	966.67	53.47
Issued and paid-up share capital	200.00	12.07	200.00	9.84	200.00	11.06
Share premium on ordinary shares	222.33	13.42	222.33	10.94	222.33	12.30
Retained earnings						
Legal reserve	20.00	1.21	20.00	0.98	22.00	1.22
Unappropriated	144.93	8.75	89.83	4.42	349.16	19.31
Equity attributable to owners of the parent	587.26	35.45	532.16	26.18	793.49	43.89
Non-controlling interests	57.12	3.45	42.34	2.08	47.65	2.64
Total shareholders' equity	644.38	38.90	574.50	28.26	841.14	46.53
Total liabilities and shareholders' equity	1,656.57	100.00	2,032.65	100.00	1,807.81	100.00

(2) Statement of Comprehensive Income

Comprehensive Income	Consolidated Statement of Year 2019 Audited		Consolidated Statement of Year 2020 Audited		Consolidated Statement of Year 2021 Audited	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales of goods	520.90	70.97	527.04	68.88	2,593.12	88.38
Revenue from rendering of services	165.51	22.55	196.50	25.68	247.46	8.43
Revenue from construction	35.82	4.88	0.82	0.11	5.23	0.18
Revenue from hospital operations	2.28	0.31	30.98	4.05	74.95	2.55
Other income	9.49	1.29	9.79	1.28	13.38	0.46
Total revenues	734.00	100.00	765.13	100.00	2,934.14	100.00
Cost of sales of goods	362.54	49.39	416.07	54.38	2,039.01	69.49
Cost of rendering of services	138.25	18.84	157.21	20.55	196.14	6.68
Cost of construction	28.93	3.94	0.77	0.10	4.82	0.16
Cost of hospital operations	10.53	1.43	47.85	6.25	58.85	2.00
Gross profit (excluding other income)	184.26	25.43	133.44	17.67	621.94	21.29
Distribution costs	21.89	2.98	14.07	1.84	24.74	0.84
Administrative expenses	55.69	7.59	42.65	5.57	60.07	2.05
Loss on exchange rate	0.00	0.00	16.48	2.16	0.00	0.00
Total expenses	77.58	10.57	73.20	9.57	84.81	2.89
Profit before financial costs and income tax	116.17	15.83	70.03	9.15	550.51	18.76
Financial costs	7.53	1.02	22.45	2.93	24.21	0.83
Profit before income tax	108.64	14.80	47.58	6.22	526.30	17.94
Tax expense (revenue)	27.85	3.79	18.03	2.36	107.83	3.68
Net income for the period	80.79	11.01	29.55	3.86	418.47	14.26
Other comprehensive income	1.73	0.23	0.58	0.08	1.16	0.04
Total comprehensive income for the year	82.52	11.24	30.13	3.94	419.63	14.30
Total comprehensive income for Majority Shareholders	91.46	12.46	44.40	5.80	420.33	14.33
Total comprehensive income for Minority Shareholders	(10.67)		(14.85)		(1.86)	
Earnings per share (Baht / share) (based on par value of Baht 0.50)	0.229		0.111		1.051	
Diluted earnings per share	0.229		0.111		1.046	



(3) Statement of Cash Flows

Unit: Million Baht

Cash Flow Statement	Year 2019 Separated Statement Audited	Year 2020 Consolidated Statement Audited	Year 2021 Consolidated Statement Audited
Cash flows from operating activities			
Profit for the year	80.79	29.55	418.47
Tax expense	27.86	18.03	107.83
Depreciation and amortisation	7.89	20.51	20.35
Allowance for declining in value of inventories	0.00	0.00	1.32
Provisions	5.17	3.24	17.57
Unrealised loss (gain) on exchange rate	5.28	6.57	(1.86)
Interest expenses	7.53	22.45	24.21
Interest income	(2.53)	(1.72)	(0.92)
Loss (gain) on disposals of equipment	0.01	0.01	(0.22)
Profit from operating activities before changes in operating assets and liabilities	132.00	98.64	586.75
Decrease (increase) in operating assets			
Trade and other receivables	42.60	15.12	(476.80)
Construction contracts	53.85	15.59	7.19
Inventories	(541.06)	(344.63)	804.47
Other non-current assets	0.02	(0.08)	0.05
Increase (decrease) in operating liabilities			
Trade and other payables, and other current financial liabilities	185.54	436.68	(412.66)
Provisions paid	(7.50)	(1.03)	(1.59)
Employee benefit paid	0.00	0.00	(0.21)
Income tax paid	(23.54)	(26.96)	(72.36)
Net cash provided by (used in) operating activities	(158.09)	193.32	434.84
Cash flows from investing activities			

(3) Statement of Cash Flows (Continue)

Unit: Million Baht

Cash Flow Statement	Year 2019 Separated Statement Audited	Year 2020 Consolidated Statement Audited	Year 2021 Consolidated Statement Audited
Interest received	2.46	2.29	1.06
Decrease (increase) in time deposits	(33.89)	16.98	(7.99)
Additions to property, plant and equipment and intangible assets	(255.26)	(2.79)	(1.41)
Proceeds from disposals of equipment	0.00	0.00	0.22
Net cash flows provided by (used in) investing activities	(286.69)	16.48	(8.12)
Cash flows from financing activities			
Interest paid	(4.92)	(11.18)	(13.56)
Increase in short-term borrowings from financial institutions	256.58	(7.11)	(134.28)
Proceeds from long-term borrowings	240.28	14.23	(7.38)
Payments of lease liabilities	(0.02)	(1.53)	(1.57)
Investments for capital increase in subsidiary from non-controlling interests	0.00	0.00	7.00
Dividend paid	(64.00)	(99.95)	(159.98)
Net cash flows provided by (used in) financing activities	427.92	(105.54)	(309.77)
Effect from foreign exchange in cash and cash equivalents	(0.01)	(0.11)	(0.14)
Net increase (decrease) in cash and cash equivalents	(16.87)	104.15	116.81
Cash and cash equivalents at beginning of year	119.28	102.41	206.56
Cash and cash equivalents at end of year	102.41	206.56	323.37



(4) Key Financial Ratios

Financial Ratios	Year 2019 Audited	Year 2020 Audited	Year 2021 Audited
LIQUIDITY RATIO			
Current ratio (times)	1.59	1.35	2.23
Quick ratio (times)	0.49	0.36	1.44
Cash flow (times)	(0.34)	0.20	0.48
Accounts receivable turnover ration (times)	3.81	5.16	8.27
Average collection period (days)	94	70	44
Inventory turnover ratio (times)	1.28	0.66	3.48
Average sale period (days)	280	545	104
Creditors' turnover ratio (times)	3.26	1.84	7.29
Repayment period (days)	110	195	49
CASH CYCLE (days)	264	420	98
PROFITABILITY RATIO			
Gross profit margin (%)	25.43	17.67	21.29
Operating margin (%)	14.86	7.98	18.39
Cash to profitability (%)	(146.80)	320.93	80.96
Net profit margin (%)	12.46	5.80	14.33
Return on equity (%)	15.92	7.93	63.42
EFFICIENCY RATIO			
Return on assets (%)	7.04	2.41	21.89
Asset turnover (times)	0.56	0.41	1.53
FINANCIAL POLICY RATIO			
Liabilities to shareholders' equity ratio (times)	1.72	2.74	1.22
Interest bearing debt to equity ratio (times)	0.85	0.95	0.46
Interest coverage ratio (times)	(24.96)	20.92	41.81
Debt service coverage ratio (Cash Basis) (times)	(0.49)	1.58	1.37
Dividend payout ratio (%) ¹	82.87 ²	83.62 ³	88.01 ⁴

Note:

¹ Dividend payout ratio was calculated from dividends paid divided by net profit for the year from separate financial statements after deduction of legal reserve.

² The Board of Directors' Meeting No. 2/2020 held on March 30, 2020 resolved to approve the interim dividend payment from the net profit of the year 2019 to the shareholders whose names appear in the shareholder list of the company at March 6, 2020 amounting to 400,000,000 shares at the rate of Baht 0.25 per share, representing a total dividend of 100 million Baht.

³ The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 resolved to approve the dividend payment from the net profit of the year 2020 to the shareholders whose names appear in the shareholder list of the company at March 10, 2021 amounting to 400,000,000 shares at the rate of Baht 0.15 per share, representing a total dividend of 60 million Baht.

⁴ The Board of Directors' Meeting approved interim dividends of 100 million Baht (400,000,000 shares at the rate of Baht 0.25 per share) from profit for the nine-month period ended September 30, 2021. The Board of Directors' Meeting No. 1/2022 held on February 23, 2022 resolved to approve the dividend payment from the net profit of the year 2021 to the shareholders whose names appear in the shareholder list of the company at April 22, 2022 Stock dividends (ratio of 2 existing ordinary shares to 1 stock dividend) of 100 million Baht (200,000,000 shares at 0.50 Baht per share) and cash dividends of 171.11 million Baht amounting to 400,000,000 shares at the rate of Baht 0.4277777775 per share, representing a total dividend of 371.11 million Baht. (Subject to approval by the Annual General Meeting of Shareholders for the year 2022)

Management Discussion and Analysis

Operating Results

Business Alignment Public Co., Ltd. conducts the sales and installation of medical equipment for treating cancer patients with radiotherapy by importing products from the manufacturer with expertise on world-class equipment and technologies for the treatment of cancer, including providing maintenance services for such medical equipment sets. The main groups of customers are hospitals affiliated with medical universities, hospitals in the cancer hospital network of the Department of Medical Services under the Ministry of Public Health, other state hospitals or public health organizations in the country and private hospitals.

A large proportion of the company's revenues come from product sales in the form of projects, acting as an end-to-end Solution Provider who is responsible for everything from structural work to systems such as electrical and cooling systems, and interior design to support the installation of radiation equipment and other ancillary equipment in the radiation room. Afterwards, the company is also responsible for the procurement and installation of various equipment associated with radiation (i.e., radiotherapy equipment, treatment planning system devices and other necessary accessories to facilitate the use of products ordered by customers).

The nature of our business is such that the resulting pattern of revenue recognition from the company's sale is revenue recognition upon delivery of the completed project. As a result, it is necessary for the company to continue construction of a radiation room, purchase and install the equipment and pass inspection by the client's project inspection committee before the revenue of the complete project can be recognized. The period of implementation of each project will be between 210-360 days before revenue can be recognized. This is one factor that makes the company more vulnerable to the instability and inconstancy of revenue should the company fail to deliver its product according to the plan.

An overview of the past results of operations

For the operating results for the past three years from the year 2019 - 2021, The company and its subsidiary had a main revenue from sales, rendering services, and construction were 724.51 million Baht, 755.34 million Baht and 2,920.76 million Baht respectively. Revenue from sales were 520.90 million Baht, 527.04 million Baht and 2,593.12 million Baht respectively. Revenue from rendering of services were 165.51 million Baht, 196.50 million Baht and 247.46 million Baht respectively. Revenue from construction were 35.82 million Baht, 0.82 million Baht and 5.23 million Baht respectively and revenue from hospital operations 2.28 million Baht, 30.98 million Baht and 74.95 million Baht respectively.

In the year 2019, The company and its subsidiary generated revenue from sales increase was due to the Company has delivered many large projects. Revenue from rendering of services increase was due to the company generate additional revenue from Genetic Diagnosis service of 4.31 million Baht and the product warranty under the purchase contract after the delivery has expired many projects. Therefore, there are many service contracts is increased during this period. Revenue from hospital operations investment in Cancer Alliance Co., Ltd. ("CAH") as subsidiary to operate specialized hospital for cancer treatment. The subsidiary started its operations in 1 October 2019. For the year 2020, the company and its subsidiaries had sales revenues close to the previous year. Service income increases due to the company recognized revenue from gene testing services of 2.30 million Baht, revenue from special services of 15.16 million Baht. Because the company had more maintenance service contracts from the same period of the previous year. Due to the product warranty period according to



the purchase contract after the delivery of many clients expires. Therefore, there are more continual maintenance contracts. For the year 2021, the company and its subsidiaries had revenue from sales increase was due to the Company deliver 13 Projects amount more than 50 million Baht. Revenue from deliver project centers treating cancer patients with protons radiotherapy of King Chulalongkorn Memorial Hospital of 924.81 million Baht. revenue from rendering of services increase was due to the company generate additional revenue from Genetic Diagnosis service of 0.11 million Baht. Revenue for relocation radiation simulator of 10.42 million Baht and the product warranty under the purchase contract after the delivery has expired many projects. Therefore, there are many service contracts is increased during this period. revenue from construction of hospital building customer and revenue from hospital operations increase the number of customers service from the hospital.

The company and its subsidiary had gross profits in the year 2019, 2020 and 2021 were 184.26 million Baht, 133.44 million Baht and 621.94 million Baht or 25.43%, 17.67% and 21.29 % gross profit margin. Which is divided into gross profit from sales 158.36 million Baht, 110.97 million Baht and 554.11 million Baht representing the gross profit margin from sales equal to 30.40 %, 21.06% and 21.37 million Baht respectively, and gross profit from services 27.26 million Baht, 39.29 million Baht and 51.32 million Baht representing a gross margin from services equal to 16.47%, 20.00% and 20.74% respectively.

In the year 2019, The company and its subsidiary had a gross profit from sales of 158.36 million Baht or equivalent to gross profit margin of 30.40%, of the same period of previous year at 27.74%.

In the year 2020, the company and its subsidiaries had gross profit from sales of 110.97 million Baht or equivalent to 21.06% of gross profit from sales. This is lower than the same gross profit margin of the previous year which was 30.40% lower gross profit margin due to the delivery of large projects. This is normal gross margin of the project work.

In the year 2021, the company and its subsidiaries had a gross profit from sales of 554.11 million Baht or equivalent to gross profit margin of 21.37%, of the same period of previous year at 21.06%.

The company and its subsidiary had a net profit for the year 2019, 2020 and 2021 were 91.46 million Baht, 44.40 million Baht and 420.33 million Baht respectively, or a net profit margin of 12.46%, 5.80% and 14.33% respectively. In the year 2019, The company and its subsidiary had a net profit attributable to equity holder of the parent of 91.46 million Baht, or equivalent to net profit margin of 12.46% compared to the previous year, which had the net profit attributable to equity holder of the parent of 80.60 million Baht of the same period of previous year at 12.13%.

In the year 2020, the company and its subsidiaries had total comprehensive income from major shareholders 'equity of 44.40 million baht or 5.80% net profit margin compared to the same period of last year with total comprehensive income from major shareholders' equity. The company's net profit was 91.46 million Baht or 12.46% of the net profit margin. Because the company has a lower gross margin and loss from exchange rate.

In the year 2021, the company and its subsidiaries had a net profit attributable to equity holder of the parent of 420.33 million Baht, or equivalent to net profit margin of 14.33% compared to the previous year, which had the net profit attributable to equity holder of the parent of 44.40 million Baht or equivalent to net profit margin of 5.80%. the Company had net profit margin was as planned and the Company normal profit margin.

The analysis of operating results and financial position for the accounting periods of the year 2019, 2020 and 2021 are summarized follows;

Analysis of Operating Results

Revenue

The company and its subsidiary had a total revenues in the year 2019, 2020 and 2021 were 734 million Baht , 765.13 million Baht and 2,934.14 million Baht respectively, with details on the revenue structure as follows:

Year 2019 – 2021 Revenue structures

Type of Revenue	Year 2019		Year 2020		Year 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
1) Revenue from sales of goods	520.90	70.97	527.04	68.88	2,593.12	88.38
2) Revenue from rendering of services ^{/1}	165.51	22.55	196.50	25.68	247.46	8.43
3) Revenue from Construction ^{/2}	35.82	4.88	0.82	0.11	5.23	0.18
4) Revenue from hospital operations ^{/3}	2.28	0.31	30.98	4.05	74.95	2.55
Revenue from sales, services construction and hospital operations	724.51	98.71	755.34	98.72	2,920.76	99.54
Other income ^{/4}	9.49	1.29	9.79	1.28	13.38	0.46
Total revenues	734.00	100.00	765.13	100.00	2,934.14	100.00

Note: ^{/1} Revenues include revenues from services, maintenance and repair of radiation equipment and various accessories including revenues from upgrade services for system software related to radiation products and revenue from Genetic Diagnosis service.

^{/2} Revenue from construction is the revenue generated from the contract for the establishment of a cancer patient center with proton particles. The company received the project and started construction in the second quarter of 2017. Work completed 100% in Q3' Year 2020 and revenue from construction of hospital building customer started construction and completed 100% in Year 2021.

^{/3} Revenue from hospital operations investment in Cancer Alliance Co., Ltd. ("CAH") as subsidiary to operate specialized hospital for cancer treatment. The subsidiary started its operations in 1 October 2019

^{/4} Other income include interest income, gains on currency exchange, gains from employee benefit adjustment and other income.

Revenues from Sales, Services and Construction

Main revenues from sales, services and construction in the year 2019, 2020 and 2021 were 724.51 million Baht, 755.34 million Baht and 2,920.76 million Baht representing 98.71%, 98.72% and 99.54% of total revenue, respectively. Revenue from sales and services can be divided into 4 categories as follows:

1) Revenue from sales of goods

Most of the company and its subsidiary had sales revenues are from the sale and installation of medical equipment in contracts resulting from project sales. In the year 2019 revenues are recognized when significant risks and significant rewards of ownership of the significant goods in the contract have passed to the buyer. In the year 2020 is recognized at point in time when a customer obtains control of the goods. The nature of business of the company, as mentioned above, means that the company must carry out the construction of a radiation therapy room (if any), purchase and install various equipment and pass inspection from the client's project inspection committee before the revenue of the completed project can be recognized. Aside from this, the company also had income from merchandising of other medical equipment of which the value is not very high.

In the year 2019, 2020 and 2021, sales revenues were 520.90 million Baht, 527.04 million Baht and 2,593.12 million Baht or 70.97%, 68.88% and 88.38% of total revenue, respectively. In comparison, sales revenue during the year 2019 - 2021 shows that revenues from sales. For the year 2019 the Company and its subsidiary generated revenue from sales increase was due to the Company has delivered many large projects. In the year 2020, the company and its subsidiaries had sales revenue of 527.04 million Baht, an increase of 6.14 million Baht or an



increase of 1.18%, similar to the same period of the previous year, which was 520.90 million Baht. In the year 2021 the company and its subsidiaries had revenue from sales of 2,593.12 million Baht, increasing by 2,066.08 million Baht or 392.01%, of previous year of 527.04 million Baht. This increase was due to the Company deliver 13 Projects amount more than 50 million Baht. Revenue from deliver project centers treating cancer patients with protons radiotherapy of King Chulalongkorn Memorial Hospital of 924.81 million Baht.

2) Revenue from rendering of services

Revenue from rendering of services is revenue from providing maintenance service for medical equipment sets, after the customer's insurance contract expires post-project delivery. Such service will allow the equipment to operate efficiently throughout its lifespan. The company has provided customers with annual maintenance agreements of which the average revenue is recognized on a monthly basis at equal monthly rates. In addition, the company also provides maintenance services and supplies various types of equipment not covered under the maintenance agreement for which customers can request service on a case by case basis according to the nature of the problem, such as maintenance of the chiller system, maintenance of the air conditioning and cooling systems, etc. The company also has services revenue from the upgrade of software systems used in radiation equipment in order to progress towards more efficient software systems. These include software system upgrades for the development of treatment plans which allow treatment plans to be developed with greater efficiency and accuracy and revenue from Genetic Diagnosis service.

In the year 2019, 2020 and 2021, The company and its subsidiary had services revenues were 165.51 million Baht, 196.50 million Baht and 247.46 million Baht or 22.55%, 25.68% and 8.43% of the total revenues, respectively.

In the year 2019, The company and its subsidiary had generated a revenue from rendering of services of 165.51 million Baht, increasing by 35.66 million Baht or 27.46%, when compared to the previous year of 129.85 million Baht. This increase was due to the company generate additional revenue from Genetic Diagnosis service of 4.31 million Baht and the product warranty under the purchase contract after the delivery has expired many projects. Therefore, there are many service contracts is increased during this period

In the year 2020, the company and its subsidiaries had service income of 196.50 million Baht, an increase of 30.99 million Baht or an increase of 18.72% from the previous year, which was 165.51 million Baht. Due to the year 2020 the company recognized revenue from Gene testing services in the amount of 2.30 million Baht, revenue from special services of 15.16 million Baht, and because the company has an increasing number of maintenance service contracts from the same period of the previous year. Due to the product warranty period according to the purchase contract after the delivery of many clients expires. Therefore, there are more continual maintenance contracts.

In the year 2021, the company and its subsidiaries had revenue from rendering of services of 247.46 million Baht, increasing by 50.96 million Baht or 25.94%, when compared to the previous year of 196.50 million Baht. This increase was due to the company generate additional revenue from Genetic Diagnosis service of 0.11 million Baht. Revenue for relocation radiation simulator of 10.42 million Baht and the product warranty under the purchase contract after the delivery has expired many projects. Therefore, there are many service contracts is increased during this period.

3) Revenue from Construction

Revenue from construction is the revenue generated from the contract for the establishment of a cancer patient center with proton particles. The company received the project and started construction in the second quarter of 2017 and will be recognized by the proportion of work completed and work completed 100% in Q3' Year

2020 and revenue from construction of hospital building customer started construction and completed 100% in Year 2021.

In the year 2019, the company and its subsidiary recognized revenue from construction of 35.82 million Baht which the Company recorded cost of construction according to percentage of completion. Therefore, as of 31 December 2019, the Company has recognized revenue from construction of the project of 99.63%

In the year 2020, the company and its subsidiaries had construction income of 0.82 million Baht, with the company gradually recognizing construction income from the ratio of the cost of the contract work completed compared with the total construction cost estimate as of 31 December 2020 the company recognized revenue from the construction of the said project totaled 100.00%

In the year 2021, the company and its subsidiaries had revenue from construction of hospital building customer of 5.23 million Baht which the Company recorded cost of construction according to percentage of completion. Therefore, as of 31 December 2021, the Company has recognized revenue from construction of the project of 100.00%

4) Revenue from hospital operations

Revenue from hospital operations investment in Cancer Alliance Co., Ltd. ("CAH") as subsidiary to operate specialized hospital for cancer treatment. The subsidiary started its operations in 1 October 2019. For the year 2019, 2020 and 2021 the company and its subsidiary generated a revenue from hospital operations of 2.28 million Baht, 30.98 million Baht and 74.95 million Baht respectively.

In the year 2020, the company and its subsidiaries revenue from hospital operations of 74.95 million Baht, increasing by 43.97 million Baht or 141.95%, when compared to the previous year. The increase the number of customers service from the hospital. From the situation of the outbreak of the Coronavirus Disease 2019 ("COVID-19") revenue is not the planed but has continued to improve.

Costs and Gross Profit Margins

The company's costs of sales, services, and construction in the year 2019, 2020 and 2021 were 540.25 million Baht, 621.90 million Baht and 2,298.82 million Baht or 73.60%, 81.28% and 78.35% of total revenues respectively. As a result, the total gross profit of the company was 184.26 million Baht, 133.44 million Baht and 621.94 million Baht or a gross profit margin of 25.43%, 17.67% and 21.29% respectively. The total cost can be divided into the cost of sales of goods, cost of rendering of services, cost of construction and cost of hospital operations. which correspond to the types of revenue. This change can be explained as follows:

Structures of Costs to Total Revenue 2019-2021

Type of cost	Year 2019		Year 2020		Year 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Costs of sales of goods	362.54	49.39	416.07	54.38	2,039.01	69.49
Costs of rendering of services	138.25	18.84	157.21	20.55	196.14	6.69
Costs of construction	28.93	3.94	0.77	0.10	4.82	0.16
Cost of hospital operations	10.53	1.43	47.85	6.25	58.85	2.01
Costs of sales, services and construction	540.25	73.60	621.90	81.28	2,298.82	78.35



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

Cost of Operation and Cost to Revenue Ratio by Type of Operation	Year 2019		Year 2020		Year 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Costs of sales of goods	362.54	69.60	416.07	78.94	2,039.01	78.63
Costs of rendering of services	138.25	83.53	157.21	80.00	196.14	79.26
Costs of construction	28.93	80.76	0.77	93.91	4.82	92.20
Cost of hospital operations	10.53	460.49	47.85	154.45	58.85	78.51
Total costs	540.25		621.90		2,298.82	

Gross (Loss) Profit and Cost to revenue Ratio by type of operation

Gross Profit and Cost to Revenue Ratio by type of operation	Year 2019		Year 2020		Year 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Gross profit from sales of goods	158.36	30.40	110.97	21.06	554.11	21.37
Gross profit from rendering of services	27.26	16.47	39.29	20.00	51.32	20.74
Gross profit from construction	6.89	19.24	0.05	6.09	0.41	7.80
Gross Loss hospital operations	(8.24)	(360.49)	(16.87)	(54.45)	16.10	21.49
Total gross profit	184.26		133.44		621.94	
Gross profit margin (%)¹	25.43%		17.67%		21.29%	

¹ 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

The cost of sales of goods is comprised of the costs of merchandise which include medical equipment and other accessories, material, interior decoration to ready the space for installation of radiation equipment, labor, travel, transportation, consultation for the project implementation as well as other costs and provision for contractual guarantees. The cost of merchandise is the largest proportion of the costs at approximately 70-80 percent of the cost of sales. The company purchased such equipment from multiple vendors, both foreign and domestic. As for the labor cost, the company hired subcontractors to carry out structural work such as structural construction, electrical, mechanical and air conditioning systems and interior renovation, by contracting for materials and labor or labor only, in order to reduce the load on personnel management and labor. Hiring subcontractors also allowed for efficient cost management.

The company and its subsidiary had cost of sales in the year 2019, 2020 and 2021 were 362.54 million Baht, 416.07 million Baht and 2,039.01 million Baht. Gross profit from sales in 2019, 2020 and 2021 were 158.36 million Baht, 110.97 million Baht and 554.11 million Baht, or 30.40%, 21.06% and 21.37% of the gross profit margin of sales to revenues from the sales respectively.

In the year 2019, the company and its subsidiary had a gross profit from sales of 158.36 million Baht or equivalent to gross profit margin of 30.40%, of the same period of previous year at 27.74%.

In the year 2020, the company and its subsidiaries had gross profit from sales of 110.97 million Baht or equivalent to 21.06% of gross profit from sales. This is lower than the same gross profit margin of the previous year which was 30.40% lower gross profit margin due to the delivery of large projects. This is normal gross margin of the project work.

In the year 2021, the company and its subsidiaries had gross profit from sales of 554.11 million Baht or equivalent to gross profit margin of 21.37%, of the same period of previous year at 21.06%. This is normal gross margin of the project work.

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

The cost of rendering of services can be classified into the following 3 types:

- 2.1) The cost of the maintenance agreement and/or software systems upgrades service back-to-back contracts, which the company made with the subcontracting company for the maintenance of the products within the scope of services of the manufacturer. For this type of service, when a customer needs maintenance or has problems with any part of the products, the company can coordinate and arrange for the manufacturing company to provide maintenance or solutions to its clients without any costs to the company.
- 2.2) The cost of labor and materials for the maintenance of medical equipment for customers, for the maintenance, service and supply of equipment not covered by the back-to-back maintenance contract with the subcontractor. Such costs are incurred when a customer requests for service on a case by case basis, based on the nature of the problem.
- 2.3) The cost of genetic testing services

In the year 2019, 2020 and 2021 the Company and its subsidiary had cost of services were 138.25 million Baht, 157.21 million Baht and 196.14 million Baht and gross profit from services during such periods were 27.26 million Baht, 39.19 million Baht and 51.32 million Baht representing 16.47%, 20.00% and 20.74% of the gross profit margin from services to revenues from services respectively.

In the year 2019, the company and its subsidiary had a gross profit from services of 27.26 million Baht or equivalent to gross profit margin of 16.47%, of the same period of previous year at 17.44%.

In the year 2020, the company and its subsidiaries had gross profit from services of 39.29 million Baht, with a gross profit margin of 20.00% of service revenue. This is close to the same gross profit margin of the previous year, which was 16.47%.

In the year 2021, the company and its subsidiaries gross profit from services of 51.32 million Baht or equivalent to gross profit margin of 20.74%, of the same period of previous year at 20.00%.

3) Cost of construction

Construction cost derived from the establishment of project centers treating cancer patients with protons radiotherapy with King Chulalongkorn Memorial Hospital, which commenced in the 2nd quarter of 2017 and work completed 100% in Q3' Year 2020 and revenue from construction of hospital building customer started construction and completed 100% in Year 2021.

In the year 2019, the company and its subsidiary generated gross profit margin from construction of 6.89 million Baht or equivalent to gross profit margin of 19.24% Because for the Quarter 4 ended 31 December 2019 the construction cost has been decreased classification of construction insurance cost cover to the construction and machine installation contracts. However, total gross profit margin project of 10.75% according to construction budget.



In the year 2020, the company and its subsidiaries had a gross profit from construction of 0.05 million Baht, with a gross profit margin of 6.09% of the construction revenue. The gross profit margin for the project is in line with the project budget.

In the year 2021, the company and its subsidiaries had gross profit margin from construction of 0.41 million Baht or equivalent to gross profit margin of 7.80% according to total construction budget.

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 exhibits, etc. In the year 2019, 2020 and 2021, the company's cost of sales were 21.89 million Baht, 14.07 million Baht and 24.74 million Baht, or 2.98%, 1.84% and 0.84% of the total revenues respectively.

In the year 2019, the company and its subsidiary had a distribution cost of 21.89 million Baht, increasing by 1.69 million Baht or 8.34% of the same period of previous year at 20.20 million Baht.

In the year 2020, the company and its subsidiaries had selling expenses equal to 14.07 million Baht, a decrease of 7.82 million Baht or 35.71% from the same period of the previous year. The main reason for the decrease was the reduction of travel expenses for the sales representative, advertising and promotion expenses and the cost of exhibiting products.

In the year 2021, the company and its subsidiaries had distribution cost of 24.74 million Baht, increasing by 10.67 million Baht or 75.86% compared to the previous year. This increase of 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 2019, 2020 and 2021 were 55.69 million Baht, 42.65 million Baht and 60.07 million Baht representing 7.59 %, 5.57% and 2.05% of the total revenues, respectively.

In the year 2019, the company and its subsidiary had administrative expenses of 55.69 million Baht, increasing by 12.84 million Baht or 29.98% compared to the previous year. the Company subsidiary had administrative expenses increase was due to human resource expenses and advisory fees which related to business operation and depreciation of fixed asset.

In the year 2020, the company and its subsidiaries have administrative expenses equal to 42.65 million Baht or a decrease of 13.04 million Baht or 23.42% decrease from the previous year. The main reason for the decrease was the separation of administrative expenses and hospital business costs of the subsidiary. Compared with the same period of the previous year, expenses were recognized before the start of the hospital operation as administrative expenses in the whole amount.

In the year 2021, the company and its subsidiaries had administrative expenses of 60.07 million Baht, increasing by 17.42 million Baht or 40.84% compared to the previous year. This increase of human resources costs Financial and legal advisory fees.

Expenses for researching and developing technology and innovation.

Because the company engages in business as an importer distribution and installation of medical devices for cancer patients using radiotherapy. The company does not have the cost of research and development in terms of production or product innovation.

Financial costs

Financial expenses comprise interest expenses resulting 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 and interest on debt agreements and interest expenses for construction hospital and purchase medical equipment, etc. In the year 2019, 2020 and 2021, the company had a financial cost of 7.53 million Baht, 22.45 million Baht and 24.21 million Baht or 1.02%, 2.93% and 0.83% of the total revenue respectively.

Net Profit and Net Profit Margin

The company's net profit in the year 2019, 2020 and 2021 were 91.46 million Baht, 44.40 million Baht and 420.33 million Baht respectively. In the year 2019, net profit of the company was 91.46 million Baht or increased by 13.47% from the previous year. In the year 2020, a net profit of 44.40 million Baht or decreased by 51.45%. In the year 2021, net profit of the company was 420.33 million Baht or increased by 846.64% from the previous year.

The net profit margins of the company and its subsidiary in the year 2019, 2020 and 2021 were 12.46%, 5.80% and 14.33% respectively, which could explain the change in the net profit margin indicated below.

In the year 2019, the company and its subsidiary had a net profit attributable to equity holder of the parent of 91.46 million Baht, or equivalent to net profit margin of 12.46% compared to the previous year, which had the net profit attributable to equity holder of the parent of 80.60 million Baht of the same period of previous year at 12.13%.

In the year 2020, the company and its subsidiaries had total comprehensive income from equity of the major shareholder of the company equal to 44.40 million Baht or 5.80% net profit margin compared to the same period of the previous year with total comprehensive income from shareholders' equity. The company's net profit margin was 91.46 million Baht or 12.46 percent of net profit margin. Because the company has a lower gross margin and loss from exchange rate.

In the year 2021, the company and its subsidiaries had net profit attributable to equity holder of the parent of 420.33 million Baht, or equivalent to net profit margin of 14.33% compared to the previous year, which had the net profit attributable to equity holder of the parent of 44.40 million Baht or equivalent to net profit margin of 5.80%. For the year 2021 the Company had net profit margin was as planned and the Company normal profit margin.

Return on Equity

The company and its subsidiary had returns on equity for the year 2019, 2020 and 2021 were 15.92% , 7.93% and 63.42% respectively.

In the year 2019, the company had higher Return on Equity as a result from greater net profit in year. In the year 2020, the return on equity is lower than the previous year. Due to the decrease in net profit. In the year 2021, the return on equity increase revenues and net profit.

Financial Position of the company

Total assets

As of 31 December 2019, 2020 and 2021, the company and its subsidiary had total assets of 1,656.57 million Baht, 2,032.65 million Baht and 1,807.81 million Baht respectively. Significant assets that influenced the changes in the total assets of the company are as follows:



Current assets

As of 31 December 2019, 2020 and 2021, the company's total current assets were 1,232.03 million Baht, 1,614.19 million Baht and 1,395.77 million Baht representing 74.37%, 79.41% and 77.21% of the total assets, respectively. The details of each significant item are as follows:

- Cash and cash equivalents: On 31 December 2019, 2020 and 2021, cash and cash equivalents were at 102.41 million Baht, 206.56 million Baht and 323.37 million Baht or 6.18%, 10.16% and 17.89% of the total assets respectively, which consists of petty cash current deposits and fixed deposits. In the year 2019, the company and its subsidiary had cash and cash equivalents of the same period of previous year. In the year 2020 and 2021, cash and cash equivalents increased. Project work delivered in Q4 will be paid from trade accounts receivable by the end of year.
- Trade accounts and other receivables - net: As of 31 December 2019, 2020 and 2021, the company and its subsidiary had a net value of trade accounts receivables and other accounts receivables of 203.55 million Baht, 187.51 million Baht and 664.44 million Baht or 12.29%, 9.22% and 36.75% of the total assets, respectively, which are described below:

(Unit : Million Baht)

	31 Dec 2019	31 Dec 2020	31 Dec 2021
Trade accounts receivables	161.26	131.36	575.16
Less the allowance for doubtful accounts	(0.00)	(0.00)	(0.00)
Trade accounts receivables - net	161.26	131.36	575.16
Other accounts receivables - net	42.29	56.15	89.28
Total trade accounts and other receivables - net	203.55	187.51	664.44

The evaluation of trade accounts receivables as of 31 December 2019, 2020 and 2021 showed that, In the year 2019, main customer of trade account receivables were Bhumibol Adulyadej Hospital and Thachalom Hospital. In the year 2020, major trade accounts receivable such as Bangkok Dusit Medical Services Public Company Limited. In the year 2021 main customer of trade account receivables project centers treating cancer patients with protons radiotherapy of King Chulalongkorn Memorial Hospital.

The company has an allowance for doubtful accounts in the amount of receivables unexpected to be billed, based on debt collection experience in the past, coupled with the current status of existing receivables. However, due to customers being mainly medical university 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 company did not set up the allowance for doubtful accounts. In the past, the company has never faced any problem in debt collection from customers, and has not had any bad debt during its operation.

Value of Trade accounts Receivables	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Current	122.97	76.26	50.73	38.62	517.12	89.91
Overdue						
- Not over 3 months	2.07	1.28	1.67	1.27	9.66	1.68
- Over 3-6 months	-	-	0.40	0.30	4.30	0.75
- Over 6-12 months	-	-	-	-	0.90	0.16
Total trade accounts receivables	125.04	77.54	52.80	40.19	532.03	92.50
Unbilled trade receivables	33.43	20.73	78.56	59.81	43.13	7.50
Long-term trade accounts receivables						
Due in 1 year	2.79	1.73	0.00	0.00	0.00	0.00
Trade accounts receivables - net	161.26	100.00	131.36	100.00	575.16	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 shows the value of receivables sorted by aging which indicates that trade receivables are mainly current receivables that are not yet due for payment, which equals 122.97 million Baht, 50.73 million Baht and 517.12 million Baht or 76.26%, 38.62% and 89.91% of total trade receivables as of 31 December 2019 and 2020, 2021 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. For long-term trade accounts receivables due in one year are receivables from a software upgrade agreement with a client which permits the payment to be made in annual installments.

- **Construction contracts:** As of 31 December 2019, 2020 and 2021, the construction contract work in progress valued 22.77 million Baht, 7.19 million Baht and 0.00 million Baht, which was during invoice billing for the project center treating cancers with proton radiotherapy to the King Chulalongkorn Memorial Hospital
- **Inventories - net:** As of 31 December 2019, 2020 and 2021, the company had a net value of inventories of 770.83 million Baht, 1,117.49 million Baht and 311.69 million Baht, or 46.53%, 54.98% and 17.24% of the total assets, respectively.

	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Medical equipment and work in progress	766.14	99.39	1,111.48	99.46	197.77	63.45
Spare parts and supplies	3.81	0.49	1.06	0.09	11.01	3.53
Medicines, supplies and other materials	0.59	0.08	1.07	0.10	1.14	0.37
Goods in transit	0.29	0.04	3.88	0.35	103.09	33.07



	31 Dec 2019		31 Dec 2020		31 Dec 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Less allowance for declining in value of inventories	0.00	0.00	0.00	0.00	(1.32)	(0.42)
Inventories – net	770.83	100.00	1,117.49	100.00	311.69	100.00

As of 31 December 2019, 2020 and 2021, the company's Inventories are primarily products that are in the process of being installed for the clients, valued at 766.14 million Baht, 1,111,48 million Baht and 197.77 million Baht, respectively.

In the year 2019, the company and its subsidiary had inventories increase from medical equipment and work in progress of being installed for the Protons radiotherapy of King Chulalongkorn Memorial Hospital and Faculty of Medicine Siriraj Hospital Mahidol University.

In the year 2020 there will be a large increase in inventories. This is because the medical equipment and work in process awaiting installation for customers in accordance with the project contract establishing a cancer treatment center with proton particles. To Chulalongkorn Hospital, The Thai Red Cross Society, Chulabhorn, Faculty of Medicine, Ramathibodi Hospital and Sawan Pracharak Hospital.

In the year 2021 the company and its subsidiary had inventories increase from medical equipment and work in progress of being installed for the Thainakarin Hospital and Faculty of Medicine Siriraj Hospital Mahidol University. Goods in transit for Chulalongkorn Hospital, The Thai Red Cross Society and Less allowance for declining in value of inventories from Covid-19 Antigen Test Kit.

- **Other current financial assets:** As of December 31, 2019, 2020 and 2021, the value is 115.42 million Baht, 95.44 million Baht and 96.27 million Baht, or equivalent to 6.97%, 4.70% and 5.33% according to other current financial assets include fixed deposits, which are used as collateral for credit facilities from local banks. Therefore, it is necessary to deposit money into a fixed deposit account to secure the bank's project credit facility for the year 2019, 2020 and 2021. The company and its subsidiaries have more current financial assets. As the company operates project value is high from 50 million baht. Therefore, it is necessary to deposit money in a fixed deposit account to guarantee the bank's project credit.

Non-current assets

As of 31 December 2019, 2020 and 2021, the company's non-current assets were valued at 424.54 million Baht, 418.46 million Baht and 412.04 million Baht, or 25.63%, 20.59% and 22.79% of total assets, respectively, as described in each of the following:

- **Other non-current financial assets:** As of 31 December 2019, 2020 and 2021, the Company's other long-term investments valued 9.00 million Baht, 11.99 million Baht and 21.81 million Baht or 0.54%, 0.59% and 1.21% of total assets. This investment is 3 month to 12 month fixed deposits as collateral with financial institution for loan of project according to the credit limit of banks.
- **Property, Plant and Equipment – net:** As of 31 December 2019, 2020 and 2021, the company's net value of property, plant and equipment was 405.47 million Baht, 387.84 million Baht and 370.09 million Baht or 24.48%, 19.08% and 20.47% of total assets, respectively, consisting of office supplies, office improvements, vehicles, etc. In the year 2019, 2020 and 2021 the company and its subsidiary had

significantly higher property, plant and equipment due to construction hospital completed and purchase medical equipment.

- **Rights of use assets:** As of 31 December 2019, 2020 and 2021, the company's had Rights of use assets was 0.00 million Baht, 6.70 million Baht and 5.01 million Baht or 0.00%, 0.33% and 0.28% of total assets, respectively, the company's office apartment lease agreement and hire-purchase of medical devices under the subsidiary's
- **Intangible assets:** As of 31 December 2019, 2020 and 2021, the company's had Intangible assets was 0.42 million Baht, 0.54 million Baht and 1.16 million Baht or 0.02%, 0.03% and 0.06% of total assets, respectively, the company and its subsidiary had computer programs used in the operation of the company.
- **Other non-current assets:** As of 31 December 2019, 2020 and 2021 the company and its subsidiary had other non-current assets valued 0.44 million Baht, 0.97 million Baht and 1.04 million Baht or 0.03%, 0.05% and 0.05% of total assets. In the year 2019, the company and its subsidiary had other non-current assets from office rental deposit of 0.44 million Baht. In the year 2020 and 2021, the company has other non-current assets, which is the office rental deposit of 0.41 million Baht and the electricity meter security of the subsidiary 0.48 million Baht.

Sources of Funds

Debt

Total liabilities

As of 31 December 2019, 2020 and 2021, the company had total liabilities of 1,012.19 million Baht, 1,458.15 million Baht and 966.67 million Baht, respectively, or 61.10%, 71.74% and 53.47% of the liabilities and shareholders' equity, respectively. The liabilities with major changes are as follows:

Current liabilities

As of 31 December 2019, 2020 and 2021, the company's current liabilities values were 773.56 million Baht, 1,197.31 million Baht and 624.72 million Baht, respectively, or 46.70%, 58.91% and 34.55% of liabilities and shareholders' equity, respectively. The details of each significant item are as follows:

- **Short-term borrowing from financial institutions:** As of 31 December 2019, 2020 and 2021 were 256.58 million Baht, 249.47 million Baht and 115.19 million Baht, or 15.49%, 2.27% and 6.37% of liabilities and shareholders' equity respectively. In the year 2019, 2020, and 2021, the company and its subsidiary had Shortterm borrowing from financial institutions for promissory note and trust receipts purchase Medical equipment.
- **Trade and other payables:** As of 31 December 2019, 2020 and 2021 were 448.24 million Baht, 917.56 million Baht and 439.78 million Baht or 27.06%, 45.14% and 24.33% of liabilities and shareholders' equity respectively, as described in the table below:



(Unit: Million Baht)

	31 Dec 2019	31 Dec 2020	31 Dec 2021
Trade accounts payables	273.91	400.49	209.66
Current portion of long-term trade payables	0.00	0.00	20.76
Accrued expenses	3.39	2.60	3.65
Advance Deposits	144.30	464.13	0.00
Advances from other customers and unearned revenue	0.00	45.32	186.36
Other accounts payables	26.64	5.02	19.35
Total trade accounts and other payables	448.24	917.56	439.78

From above information, most payables are trade payables from the orders of various medical equipment from abroad to be used in its ongoing projects. Other payables include some accrued expenses and deposit from customers advances service extended warranty from other customers and unearned revenue etc.

- **Other current provisions:** As of 31 December 2019, 2020 and 2021, the company had outstanding liabilities under contractual warranties of 1.20 million Baht, 2.18 million Baht and 9.83 million Baht, or 0.07%, 0.11% and 0.54% of liabilities and shareholders' equity, respectively. Other non-current provisions of 0.50 million Baht, 1.10 million Baht and 7.60 million Baht, or 0.03%, 0.05% and 0.42% The above items are provisions for the contractual product warranties provided after delivery, the costs of which are a part of the business that the company shall be responsible for, as the manufacturer does not provide such warranty provisions.
- **Other current financial liabilities:** As of 31 December 2019, 2020 and 2021, the company and its subsidiary had Other current financial liabilities, which were fair value of forward contracts under the project center treating cancer patients with protons radiotherapy, equaled to 41.61 million Baht and 10.47 million Baht and 0.00 million Baht. Representing the ratio of liabilities and shareholders' equity equal to 2.51%, 0.52% and 0.00% which is the fair value of the forward foreign exchange contract for the contract for the project center treating cancer patients with protons radiotherapy for King Chulalongkorn Memorial Hospital.

Non-current liabilities

As of 31 December 2019, 2020 and 2021, the company had non-current liabilities of 238.63 million Baht, 260.84 million Baht and 341.95 million Baht, or 14.41%, 12.83% and 18.92% of liabilities and shareholders' equity respectively, as described below

- **Non-current trade and other payables:** As of 31 December 2021, the company's Non-current trade and other payables were valued at 87.04 million Baht, or 4.82% of liabilities and shareholders' equity, respectively. Long-term trade payables at 4.45 million Baht and Non-current unearned revenue at 82.59 million Baht.
- **Long-term borrowings:** As of 31 December 2019, 2020 and 2021, the Company and its subsidiary had Long-term borrowings were valued at 228.74 million Baht, 245.03 million Baht and 234.07 million Baht or 13.81%, 12.06% and 12.95% of liabilities and shareholders' equity, respectively. In the year 2019, 2020 and 2021, the company and its subsidiary had long-term borrowings for construction hospital and purchase medical equipment due within one year of 11.55 million Baht, 9.49 million Baht and 13.07 million Baht, respectively.

- **Liabilities under lease agreements:** As of December 31, 2019, 2020 and 2021, the company and its subsidiaries had lease liabilities equal to 1.18 million Baht, 5.32 million Baht and 3.64 million Baht, accounting for liabilities and shareholders' equity equal. 0.07%, 0.26% and 0.20% respectively. In the year 2019, the liabilities under hire-purchase of medical devices under the subsidiary's hire-purchase agreements. Which consisted of liabilities due within one year equal to 0.32 million Baht and repayment of more than one-year amount of 1.18 million Baht. In the year 2020, These consist of liabilities due within one year equal to 0.32 million Baht and repayment of more than one year equal to 0.88 million Baht and liabilities under the company's office apartment lease agreement. Which comprises of the liabilities due within one year of 1.25 million Baht and the portion due over one year of 4.44 million Baht. In the year 2021, These consist of liabilities due within one year equal to 0.32 million Baht and repayment of more than one year equal to 0.58 million Baht and liabilities under the company's office apartment lease agreement. Which comprises of the liabilities due within one year of 1.35 million Baht and the portion due over one year of 3.06 million Baht.

Shareholders' Equity

As of 31 December 2019, 2020 and 2021, the shareholders' equity of the company was 587.26 million Baht, 532.16 million Baht and 793.49 million Baht or liabilities and shareholders' equity 35.45%, 26.18% and 43.89% liabilities and shareholders' equity respectively. The details of each significant item are described in the following list:

- **Authorized share capital:** As at 31 December 2021, the Company had a Authorized share capital of 220 million Baht, Issued and paid-up share capital 200 million Baht. An allocation of the newly issued ordinary shares not exceeding 40,000,000 shares at par value of Baht 0.50 to accommodate the exercise of the warrants.
- **Premium on ordinary shares:** As at 31 December 2019, 2020 and 2021, the Company had a share premium of 222.33 million Baht, 222.33 million Baht and 222.33 million Baht representing 13.42%, 10.94% and 12.30% of total liabilities and shareholders' equity.
- **Legal reserve :** As at 31 December 2019, 2020 and 2021, the Company had a legal reserve of 20.00 million Baht, 20.00 million Baht and 22.00 million Baht representing 1.21%, 0.98% and 1.22% of total liabilities and shareholders' equity. In the year 2021 The Board of Directors' Meeting approved legal reserve increase of 2 million Baht or 0.47% from the net profit of the year 2021. The legal reserve until this account reaches an amount not less than 10% of the authorized share capital
- **Retained earnings:** As of December 31, 2019, 2020 and 2021, the company had unallocated earnings of 144.93 million Baht, 89.83 million Baht and 349.16 million Baht, representing of total liabilities and shareholders' equity. 8.75%, 4.42% and 19.31% respectively, In the year 2019, annual shareholder meeting of 2019 has resolved to approve dividend payment of 64 million Baht, affecting retained earnings as at 31 December 2019 to be 144.93 million Baht. In the year 2020, the Annual General Meeting of Shareholders 2020 approved a dividend payment of 100 million Baht, resulting in as of December 31, 2020, the company had unallocated retained earnings equal to 89.83 million Baht. In the year 2021, annual shareholder meeting of 2020 has resolved to approve dividend payment of 60 million Baht, The Board of Directors' Meeting approved interim dividends of 100 million Baht and increase legal reserve of 2 million Baht. affecting retained earnings as at 31 December 2021 to be 349.16 million Baht.



Debt to Equity Ratio

As of 31 December 2019, 2020 and 2021, the company had a ratio of debt to equity of 1.72 times 2.74 times and 1.22 times respectively and interest-bearing debt to equity ratio of 0.85 times, 0.95 times and 0.46 times respectively.

Interest Coverage and Debt Service Coverage Ratios

In the year 2019, 2020 and 2021, the company and its subsidiary had an interest coverage ratio of (24.96) times, 20.92 times and 41.81 times respectively. From the above data, 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 the accounting period or not. In the year 2019, the company and its subsidiary had negative interest coverage ratio because purchase medical equipment and work in progress of being installed for the customer, leading to negative cash flow. In the year 2020, the company has delivered work in Q4' 2020 and can be billed to customers within the year. Causing the cash flow from operations to increase and resulting in better interest coverage ratio. In the year 2021, the company has net profit increase and decrease inventory. Causing the cash flow from operations to increase and resulting in better interest coverage ratio

In the year 2019, 2020 and 2021, the company and its subsidiary had a ratio of debt service coverage of (0.49) times, 1.58 times and 1.37 times respectively. The reason such ratios fluctuated was partly from 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. However, after the Company was listed on the Stock Exchange of Thailand, the funds raised from the Initial Public Offering can be used as an alternative source of working capital.

Liquidity

As of 31 December 2019, 2020 and 2021, the company and its subsidiary had current assets of 1,232.03 million Baht, 1,614.19 million Baht and 1,395.77 million Baht, or 74.37%, 79.41% and 77.21% of total assets respectively.

As of 31 December 2019, 2020 and 2021, the Company and its subsidiary had current liabilities of 773.56 million Baht, 1,197.19 million Baht and 624.72 million Baht or equal to 46.70%, 58.91% and 34.55% of the liabilities and shareholders' equity respectively. The changes in such current assets and current liabilities caused the company and its subsidiary liquidity ratio in the year 2019, 2020 and 2021 to be 1.59 times, 1.35 times and 2.23 times respectively, and the quick ratio was 0.49 times, 0.36 times and 1.44 times respectively. In the year 2019 and year 2020, the company and its subsidiary had liquidity ratio level was dropped as increase short term borrowings from financial institutions. In the year 2021, the company and its subsidiary had liquidity ratio level was increase as decrease short term borrowings from financial institutions and trade payables.

Cash Cycle

As of 31 December 2019, 2020 and 2021, the company had a cash cycle of 264 days, 420 days and 98 days respectively. From the above information, it can be observed that the company had a relatively long average cash cycle as the company was engaged primarily in the form of projects, which took a rather long time to complete. As a result, the company's inventories were high, leading to a low inventory turnover ratio and longer

than average sale period. The average collection period of the company was prolonged as well, since the company delivered and billed for projects with high values at the end of the year, causing a year-end increase in trade accounts receivable. Consequently, the accounts receivable turnover ratio was lowered. Additionally, the purchases of merchandise from foreign or local manufacturers require a short period of repayment leading to a high creditor turnover ratio.

Also, it can be observed that the cash turnover ratio fluctuated throughout such period due to the unique nature of the business of the company, where revenue will only be recognized when transfer of control over products to customers is complete.

Cash flow for fiscal year 2021 ended 31 December 2021

Net cash provides by (used in) operating activities

The company's cash flows from operating activities was 434.84 million Baht, mainly from decrease in trade accounts receivable and other receivables and an increase in trade payables and other payables.

Net cash provides by (used in) investing activities

The company had net cash used in investing activities equal to (8.12) million Baht, resulting from a increase in cash flow from time deposits amount of 7.99 million Baht.

Net cash provides by (used in) financing activities

The company's cash flows used in financing activities was (309.77) million Baht, due to a significant outflow of cash payment of interest 13.56 million Baht payment short-term borrowings from financial institutions of 134.28 million Baht and dividends payment of 159.98 million Baht.

Factors which may affect the company's future operations

As the company's main business deals with products that are very specific in terms of technology, there are certain aspects that could affect the company's performance:

1. Standard accounting practice states that the company must recognize its revenue only when it has completely transferred the risks concerning the product to the client. For high-value projects, it takes about 210-360 days (from the date of the sale contract) to complete and hand over the project to the client, which is when the revenue can be entirely recognized. Therefore, in the case that the company is unable to hand the project over to the client in the planned quarter, especially regarding high-value projects, the company risks fluctuations in its performance each quarter.
2. Because of the specialty of the company's products which have a lifespan of 12-15 years, in conjunction with the slow pace of technological advancement in the field of radiotherapy, the time for the product's replacement could be relatively long and the company's client base can be considered a niche market, which is limited to the healthcare sector. Therefore, it is possible that these two factors could affect the company's growth in the long term, as there are risks concerning the continuity of future sales.
3. Interest rate risk that may arise from future changes in market interest rates. This may affect the company due to borrowing from financial institutions.
4. Credit risks arise when the counterparties fail to meet their obligations as agreed. The Group does not have any material credit risks because the Group constantly evaluates the debtor's status
5. Foreign currency risk The Group is exposed to foreign currency risk relating to purchases of goods and expenses which are denominated in foreign currencies. Management believes that said foreign currency risk is minimal.



However, the World Health Organization (WHO) predicts a continual growth in the number of cancer patients in Thailand, despite not having enough radiotherapy machines in the country. The company, therefore, believes that there will be a constant demand from the existing clientele, as they continually allocate their budget (both from the state and private sectors) towards buying the company radiotherapy products to fulfill the high demands from patients. The necessity of the radiotherapy machines presents an opportunity for the healthcare sector to consider its investments into these products.

Impact of the Coronavirus Disease 2019 (COVID-19) Outbreak

From the situation of the outbreak of the Coronavirus Disease 2019 ("COVID-19"). The company would like to inform that the current overall operations of the company were partly affected. The company would like to provide additional information as follows;

1. Project installation plan that requires foreign experts at some stage in the installation process. The impact of restriction of international travel resulting in foreign experts to delay the start of the installation in the relevant steps which causes an impact on the time of delivery
2. Importing medical devices or equipment for installation of certain items that must be imported from abroad. The impact of the international shipping system, change of flight in transportation, flight cancellation resulting in medical devices and/or that equipment has the import deadline delay from the specified period which causes an impact on the time of delivery

However, the effect in items 1 and 2 is a force majeure condition that the company can proceed with requesting an extension of the working period under the contract including the reserve the right to refrain from fines to the parties.

3. Impact on interest expenses as in undertaking large projects in each project, the company will mainly use bank funding. Therefore, when the period of delivery is extended. The company will also be affected by the increased interest payments.
4. Sources of funds and liquidity used in operations, the company was not affected by such factors. Moreover, the company has not suffered from bad debt problems. Due to the majority of the company's debtors are government agencies.

Corporate Governance

The company operates its business with responsibility, transparency and fairness within the framework of the code of conduct of the company and on the basis of benefits and happiness in a balanced and sustainable manner. The Board of Directors is a good role model in adhering to the principles of corporate governance and ethics. With the aim of developing the organization to be a model of corporate governance. It is defined in the vision of the company. The belief that corporate governance principles, it will be a management system that will cause fairness, transparency, can generate returns and add long-term value to the shareholders. This includes building confidence to all stakeholders and supporting the competitiveness of the company for sustainable growth.

The Board of Directors is responsible for take care of corporate governance as well. Both policy and practice monitor and supervise the performance of the Board of Directors and management in accordance with the corporate governance policy. As well as review the practices to make them appropriate for business operations and in line with this corporate governance policy practice. Regularly at least once a year as the main agenda in the Board of Directors' meeting.

This Corporate Governance Principle for the Board of Directors as the leader or the person who is most responsible for the organization. Applying to supervision for the business to have good performance in the long term. Trust for shareholders and people around them. For the benefit of creating sustainable business value meet the expectations of the business sector, investors as well as the capital market and society as a whole

“Good Corporate Governance” means corporate governance that is conducive to creating sustainable business values. In addition to creating confidence for investors. The Board of Directors should supervise the business to lead to the result (Governance Outcome) at least as follows:

1. Be able to compete and have good operating results taking into account the long-term impact
2. Conduct business with ethics respect the rights and responsibility to shareholders and stakeholders
3. Benefit to society and develop or reduce the negative impact on the environment.
4. It can be adapted under changing factors.

The Board of Directors encourages the adoption of good corporate governance principles and has been established as a corporate governance policy according to the following guidelines

- Principle 1** Recognize the roles and responsibilities of the Board of Directors as corporate leaders that create sustainable values for the business.
- Principle 2** Determine the objectives and main goals of the business for sustainability.
- Principle 3** Strengthen Effective Board of Directors
- Principle 4** Recruiting and developing top executives and personnel management
- Principle 5** Promote Innovation and Responsible Business Operations
- Principle 6** Ensure that there is an appropriate risk management and internal control system.
- Principle 7** Maintain Financial Credibility and Disclosure
- Principle 8** Encourage participation and communication with shareholders.



Details of the company's full corporate governance policy disclosed on the
Company's website www.bizalignment.com
Menu Investor Relations and Submenu Sustainable Development

The remuneration for Directors and Sub-Committees

Nomination and Remuneration Committee will consider according to the remuneration payment criteria. According to the performance and meeting allowances. Taking into account the same industry practices Company performance and business size and responsibility, knowledge, ability and experience of directors and sub-committees. It must also be approved by the shareholders' meeting.

1) Remuneration in Cash

A) Remuneration of Directors

Consider the responsibilities, knowledge, abilities and experiences of the directors. Including considering the business plan of the company and according to the remuneration criteria which consist of monthly remuneration, meeting allowance and other compensation as you see fit. The 2021 Annual General Meeting of Shareholders on April 9, 2021 approved the remuneration of the Board of Directors and Sub-Committee for the year 2021 in the total amount not exceeding 2,000,000 Baht per year as summarized in the table below.

Monthly Remuneration

- | | |
|-------------------------|-------------------|
| • Chairman of the Board | 20,000 Baht/month |
| • Independent Director | 15,000 Baht/month |

Meeting Allowance (per attend the meeting)

Board of Directors

- | | |
|-------------------------|-------------|
| • Chairman of the Board | 15,000 Baht |
| • Board of Directors | 10,000 Baht |
| • Independent Director | 10,000 Baht |

Audit Committee

- | | |
|-------------------------------|-------------|
| • Chairman of Audit Committee | 15,000 Baht |
| • Audit Committee | 10,000 Baht |

Nomination and Remuneration Committee (NRC)

- | | |
|---|-------------|
| • Chairman of NRC | 15,000 Baht |
| • Nomination and Remuneration Committee | 10,000 Baht |

Other benefits: None

B) Remuneration of Executives

To paying the company's remuneration. The objective is to reward the success of the company's strategy. and return the work that the management has created for the company as assigned. The remuneration will be considered as follows:

- Consider the performance. It is in line with the accomplishment of the company's strategic goals.
- Based on the results of each year's performance assessment.
- Competitive In related business This ensures that the company is able to attract and retain good employees who are skilled to work and continue to work for the company.

The company's remuneration pays its through a salary, other welfare benefits such as provident fund, health insurance plan, the annual health check, phone bills, maintenance fees, commissions and benefits are in line with the labor market practices by the law.

Executive Remuneration	Year 2019		Year 2020		Year 2021	
	Amount (of persons)	Total (million Baht)	Amount (of persons) ^{/2}	Total (million Baht)	Amount (of persons) ^{/2}	Total (million Baht)
Salary	8	10.13	4	6.92	5	7.61
Bonus	8	7.05	4	3.03	5	8.85
Other ^{/1}	8	8.01	4	2.66	5	3.21
Total	8	25.19	4	12.61	5	19.67

Notes: ^{/1} Other forms of executive Remuneration include telephone charges, car maintenance fee, commission, over-time, group health insurance and provident funds

^{/2} Due to changes in the management structure

2) Other remunerations - none –

3) Policy and method of remuneration

Criteria for determining remuneration State in the scope of duties and responsibilities of the Nomination and Remuneration Committee.

Nomination and Appointment of Directors and Top Executives

In the selection of a person to be appointed as Directors or Executives of the company, an individual who has been appointed as Director and Executive of the company must be a person who possesses all the qualifications prescribed under Section 68 of the Public Company Act B.E. 2535 (1992) and the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares, dated 15 December 2009, with the following composition and criteria for the nomination:

Composition and Nomintion of the Board of Directors

1. The company shall have a Board of Directors to conduct the affairs of the company consisting of at least five (5) Directors. Not less than half of the total number of Directors must be residing in the Kingdom and the Directors of the company must possess the qualifications as prescribed by the law. Directors of the company may or may not be shareholders.
2. The shareholders' meeting shall appoint the Directors according to the rules and procedures below.
 - 2.1 Each shareholder has one (1) share per one (1) vote.
 - 2.2 Each shareholder shall use all his votes under 2.1 and may elect one or more individuals to be Directors. In case the shareholder selects many candidates to be directors, the total number of votes may not be split unequally among the candidates.



- 2.3 The candidates receiving the highest number of votes respectively are elected to the Board of Directors according to the number of Directors needed to be elected at that time. In case the elected candidates with the lowest rank of the highest number of votes receive the same number of votes and exceed the number of Directors needing to be elected at that time, the Chairman of the meeting shall make a final decision by casting a vote.
3. At every Annual General Meeting of Shareholders, one-third (1/3) of all the Directors at the time shall retire from their positions. If the number of Directors is not divisible by three, then the number nearest to one third (1/3) shall retire. The retiring Directors may be re-elected to the position again. Directors who are to retire in the first and second years following the registration of the company shall retire by drawing lots. In the subsequent years, the Directors who have been in office the longest shall retire from office.
 4. Any Director who wishes to resign must submit a letter of resignation to the company. Such resignation shall be effective from the day the letter of resignation arrives at the company.
 5. The shareholders' meeting may pass a resolution for any Director to leave office prior to the expiration of his term by a vote of at least three-fourths (3/4) of the number of shareholders present having voting rights and holding aggregate shares amounting to not less than half of the number of shares held by shareholders who attend the meeting and have voting rights.
 6. In the case a Director's position becomes vacant due to reasons other than retirement by rotation, the Board shall elect a person who possesses the qualifications and does not possess any characteristics prohibited under the laws on Public Companies or the laws governing securities and exchange to be Director in the following Board meeting, except if the former Director had less than two (2) months remaining in his term, in which case the newly elected Director shall remain in office only for the remaining term of the Director he replaces. And the resolution of the Board of Directors pursuant to the above shall be composed of not less than three-fourths (3/4) of the remaining Directors.
 7. The Board shall elect one member as Chairman, and the Board may approve of electing one or several Directors to be Vice-Chairmen. Vice Chairmen have duties pursuant to the operational regulations which will be assigned to him by the Chairman.

Composition and Nomination of the Audit Committee.

The Audit Committee shall be appointed by the Board of Directors and approved by the shareholders' meeting and designated as Directors of the company with qualifications according to the Securities and Exchange Law, including notifications, regulations and/or rules as regulated by the Stock Exchange of Thailand. There must be at least three (3) persons in the Audit Committee. Out of the three, at least one (1) person must have knowledge of accounting and finance. The Audit Committee shall hold office for a term of three years from the date of the appointment. At the end of the term, if the Board of Directors or shareholders' meeting has not appointed a new Audit Committee, the retiring Audit Committee may continue to hold office until the Board of Directors or shareholders' meeting appoints the new Committee to replace the Audit Committee whose term is set to expire and/or in accordance with the term of office of Directors. Anyone recruited to the Audit Committee must be an Independent Director and possess the qualifications of an Audit Committee member as follows:

Qualifications of Independent Directors

The company has defined the "Independent Director" in accordance with the requirement set by the SEC and SET, as follows:

1. Holds shares – not exceeding 1% of the total shares with voting rights of the company, the parent company, subsidiaries, associates, major shareholders or controlling parties of the company. In this regard, the shares of related persons of the aforesaid Independent Director shall be counted as well.

2. Is not or has never been an Executive Director, employee, staff, advisor with regular salary, or controlling person of the company, parent company, subsidiaries, associates, same-level subsidiaries, major shareholder or controlling person of the company, unless the foregoing status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission. In this regard, such prohibited characteristics shall not include the case that such an Independent Director has been an official or advisor of a government unit which is a major shareholder or controlling party of the company.
3. Is not an individual who has a relationship by blood or legal registration with the status of father, mother, spouse, brother, sister, and child, including spouse of a daughter or son of an Executive, major shareholder, controlling person or person who is in the process of nomination to be Management or controlling person of the company.
4. Does not have nor used to have a business relationship with the company, the parent company, subsidiaries, associates, major shareholders or controlling parties of the company which may interfere with the independent judgment of said Independent Director, including not being nor has ever been a significant shareholder or controlling person of any party having a business relationship with the company, the parent company, subsidiaries, associates, major shareholders or controlling parties of the company, unless such status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission.
5. Is not or has never been the auditor of the company, parent company, subsidiaries, associates, major shareholders or controlling parties of the company, and is not a significant shareholder, controlling person, or partner of the auditing firm employing the external auditor of the company, parent company, subsidiaries, associates, major shareholders or controlling parties of the company, unless such status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission.
6. Is not or has never been a professional service provider including, but not limited to, legal service or financial advisor and receiving a service fee exceeding 2 million Baht per year from the company, parent company, subsidiaries, associates, major shareholders or controlling parties and is not a significant shareholder, controlling person, or partner of a firm providing such professional services, unless the foregoing status has ended for not less than two (2) years prior to the date of submitting the application to the Office of the Securities and Exchange Commission.
7. Is not a Director who has been appointed to be the representative of the Directors of the company, the major shareholders, or any other shareholder who is a related person connected to any major shareholder.
8. Does not operate the same or a significantly competitive business with the business of the company or subsidiaries, is not a significant partner in a partnership, neither is an Executive, employee, staff or advisor receiving regular salary, nor holds shares in the amount exceeding 1% of the total shares with voting rights of any other company which operates the same and significantly competitive business with the business of the company.
9. Does not having any characteristics which may hinder the ability to provide an independent opinion about the company's operations.
10. Independent Directors with such qualifications may be assigned by the Board of Directors to make decisions on the business operations of the company, parent company, subsidiaries, associates, same-level subsidiaries, major shareholders or controlling parties in the form of a collective decision.



Qualifications of Audit Committee Members

1. The Committee members must not be Directors who are assigned or authorized by the Board to be able to make decisions concerning the operations of the company, parent company, subsidiaries, associates, same-level subsidiaries or major shareholders.
2. The Committee members must not be Directors of any parent company, subsidiaries or same-level subsidiaries, which are listed companies.
3. The Committee members must possess sufficient knowledge and experience to serve as Audit Committee. At least one member of the Committee must have sufficient knowledge and experience to review the credibility of financial statements.
4. The Committee members perform the same duties as set forth in the Notification of the Stock Exchange of Thailand on the qualifications and scope of operation of the Audit Committee.

Composition and Nomination of Executive Committee

The Executive Committee must be Directors and/or Management of the company and/or employees and/or suitable individuals who are appointed by the Board of Directors, the number of which the Board deems appropriate. Accordingly, the Board of Directors will appoint an Executive Director as Chairman of the Executive Committee.

Composition and Nomination of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be appointed by the Board of Directors. The Committee is composed of at least three (3) persons and should consist mainly of Independent Directors and/or Non-Executive Directors. In this case, one member of the Nomination and Remuneration Committee shall be appointed as Chairman of the Nomination and Remuneration Committee.

Composition and Nomination of the Risk Management Sub-Committee

The Risk Management Sub-Committee must be Directors and/or Executives of the company and/or employees and/or suitable individuals who were appointed by the Board of Directors, the number of which the Board deems appropriate. Accordingly, the Board of Directors shall appoint a member of the Risk Management Sub-Committee to be the Chairman of the Risk Management Sub-Committee.

Composition and Nomination of the Chief Executive Officer

The Chief Executive Officer shall be nominated by the Executive Committee by selecting among current members of the Executive Committee or recruiting from the qualified person who through preliminary screening from the Nomination and Remuneration Committee as qualification listed in the succession plan in order to present to the Board of Directors in order that the nominated candidate may be appointed as the Chief Executive Officer.

Self-Assessment of the Board

The Board of Directors will evaluate self-assessment on an annual basis. The Board of Directors should jointly consider the performance and problems for improvement and increase the effectiveness of the performance of the directors.

1. Individual Evaluation Form (Self-assessment)
2. Evaluation Form for the entire Board
3. Evaluation Form for Sub-Committee Performance (Audit Committee and the Nomination and Remuneration Committee)

Rules and procedures for evaluate of the Board of Directors.

There are 6 main topics: 1) Structure and qualifications of the Board. 2) Roles and Responsibilities of the Board 3) Board Meetings 4) Duties of Directors 5) Relationships with Management 6) Self-Improvement Director's and Executive Development. The scoring method is 5 levels (0-4). (Should improve) until very agree (excellent) The evaluation process is the company secretary prepare assessment forms for the Board to conduct annual assessments. Then was collected, summary and provide guidance on improving performance. After that report to the Board for acknowledge.

The results of the evaluation in the year 2021 are in good and excellent level.

3 = Agreed or have a good deal on it.

4 = Very agreed or have done so well.

Performance Evaluation	Average Result (%)*
Evaluation Form for the entire Board	97.58
Evaluation Form for the Audit Committee	96.32
Evaluation Form for the Nomination and Remuneration Committee	95.87
Individual Evaluation Form	96.71

*100% rating means the evaluation of the performance of that committee. Have a rating of 4 full (excellent) and all.

Additional opinion/remark from the self-assessment is the level of % average scores in all evaluation results were slightly decreased compared with the results of the previous year. Overall average decreased by 2.40%, which from the discussion at the Board of Directors acknowledge of the result.

Development of Directors and Executives

The Board of Directors requires a new director orientation. To ensure that directors have a good understanding of the company's business and related regulations. In addition, the Board of Directors has the policy to encourage all directors, top executive including company secretary continued training on corporate governance. This is due to internal training and other external institutions such as the Stock Exchange of Thailand, The Office of the Securities and Exchange Commission (SEC) or Thai Institute of Directors (IOD)

In the year 2021, the company has directors and company secretary attend training and develop additional knowledge in the following courses;

Name	Position	Training courses and continuous knowledge development
1. Mr.Vipoota Trakulhoon	Independent Director Audit Committee Chairman of Nomination and Remuneration Committee	Advanced Audit Committee Program (AACP) Class 42/2021
2. Mr. Voravid Silapusid	- Director - Executive Committee - Nomination and Remuneration Committee - Risk management Sub-Committee - Chief Financial Officer - Human Recourses Manager (Acting)	Summary of key operating statistics and financial statements analysis.



Name		Position	Training courses and continuous knowledge development
3.	Mr. Noppadol Suntanaphanich	- Director - Executive Committee - Risk management Sub-Committee - Chief Quality Officer	• Safety officers working at Executive level
4.	Ms. Srisunun Anuchornphan	- Executive Committee - Chief Administrative Officer - Company Secretary	• Safety officers working at Executive level

Succession Plan

The Nomination and Remuneration Committee is responsible for reviewing policies and criteria for selection of top executives and/or specialists. The succession policy in the case of emergency or retirement of top executives and/or specialists has transparent process. It is based on knowledge and ability including experience and ethics. Proposed to the Board of Directors for further appointment.

Orientation for the Board

For Directors, the company provides basic information about the company, including organizational structure and management, main products, rules, regulations and the related laws, including the regulations of the office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, are applicable to new directors. To allow the directors to understand the operation of the company. It also acknowledges the roles and responsibilities of being a director or an independent director. The company will send new directors to attend the training course and receive a certificate of foundation course on corporate governance development guidelines for directors.

Meetings between non-executive directors

The company has convened non-executive directors' meetings and/or with the auditor as appropriate To provide opportunities for non-executive directors to discuss issues that arise in the company and suggestion issues that should be implemented in the company once a year (in the past year, the meeting was held in November)

Information Technology Security Policy

Board of Directors has always been aware of the importance of information technology security and has adopted the security standards of information technology systems within the company and supervising the directors, executives, employees as well as related third parties comply with the rules. This standard sets various guidelines related to information technology systems of the company that meet international standards such as encryption to prevent access to management information, username and password, certification and approving the entry/exit of the network security system, connection security and back up importance information of the company etc. Along with an information security system to safeguard against unauthorised access to information, measures to maintain the integrity of relevant data and ensure availability of critical data.

Overseeing Operations of Subsidiaries and Associates

Board of Directors give priority and provide mechanisms to supervise operations that can control and manage the operations of the subsidiaries and associated companies. In order to safeguard the interests of the company's investments, such as considering sending persons to represent the company to be directors, executives or controlling persons in subsidiaries and associates. At least in proportion to the shareholding. By a person appointed as a director in a subsidiary or associated company who has the duty to perform for the best benefit of that subsidiary or associated company.

In the case of a subsidiary, the company has established an appropriate and concise internal control system Including other mechanisms for overseeing such subsidiaries, such as the mechanism to supervise the disclosure of financial status and results of operations, transactions between subsidiaries and connected persons, acquisition or disposition of assets or other important transactions. To be complete, accurate Including the supervision of data storage and accounting records of subsidiaries for the company to be able to verify and gathered to prepare the consolidated financial statements on time.

Anti-corruption measures

The company has stipulated guidelines for Directors, Management and staff that they shall neither claim, nor receive money nor benefits nor items which are inappropriate, dishonest or unsuitable from individuals involved in the affairs of the company. They shall neither claim, nor receive money nor benefits nor items from any person or juristic person they do business with, whether directly or indirectly, neither in order to give an advantage in exchange of privileges nor to benefit the business operations of the company. The company has provided training, knowledge and communication to employees. About anti-corruption policies and practices and for new employee orientation and for employees at all levels to access the policy and communicate through supervisors, including through the company's internal newsletter of the month.

The company is a distributor of medical equipment imported from abroad, with emphasis mainly on imports from the United States. The United States Foreign Corrupt Practices Act is an international anti-corruption legislation to incriminate any US firm trading with foreign companies that have engaged in bribery of state authorities. (The U.S. Department of Justice defines "corporate citizenship within the United States" to include those "directors, officers, employees, agents, distributors and shareholders working for the benefit of a company with the corporate citizenship within the United States. ") Thus, the company is very conscientious of anti-corruption in order to maintain good relationships to corporate partners and strengthen the company's business in the long run, and company will not undertake to bribe public officials under any circumstance.

Code of Conduct

The Board of Directors encourages business ethics for directors, executives and employees. It is a burden and responsibility including also promotes the practice and monitoring of the practice. To the maximum benefit to the stakeholders of the company. It also creates credibility in the business that will make the company grow sustainably. (The detail shown at the company's website www.bizalignment.com Investor Relations menu and then Sustainable Development)



Important Changes and Developments of the policy, practice, and corporate governance system in the past year

In the year 2021, the Board of Directors has reviewed policies, practices, corporate governance systems. Including the Charter of the Board of Directors And sub-committees The topics that have been updated in the past year are summarized as

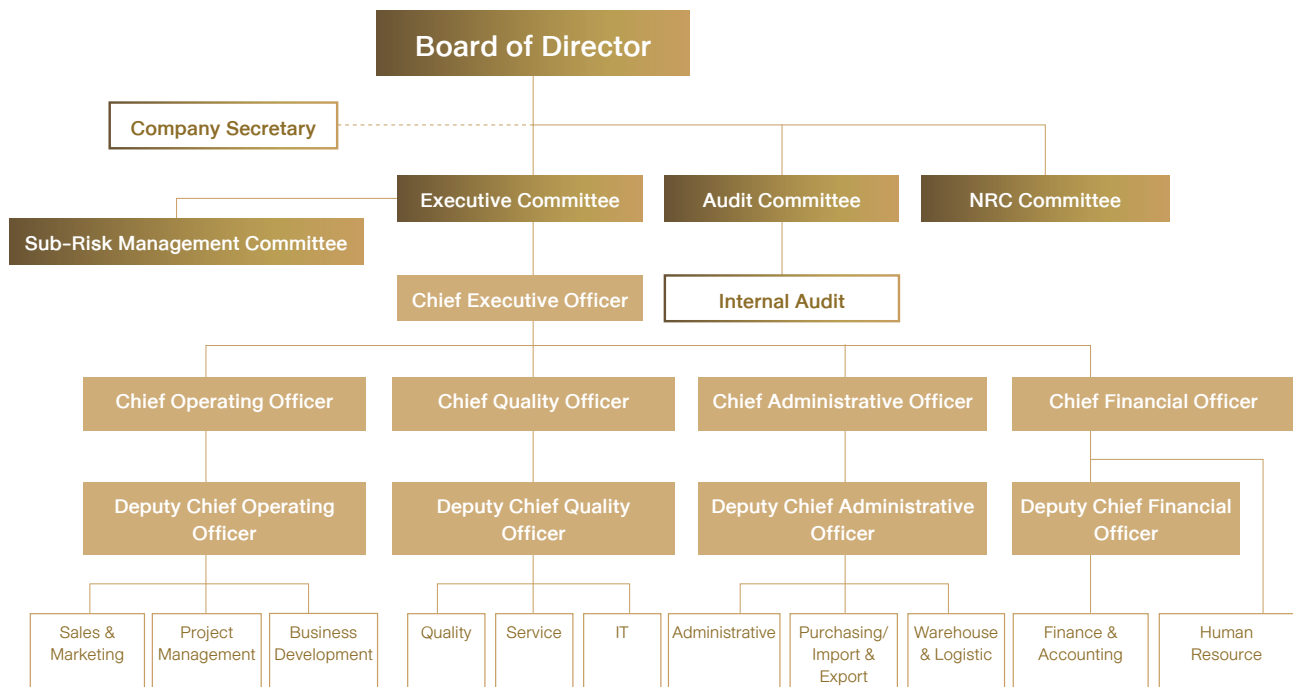
- Providing guidelines for action on sustainability emphasis is placed on promoting the use of innovation and technology to build competitiveness as well as responding to the needs of stakeholders. It remains on the basis of social and environmental responsibilities such as designing and/or managing various contract work with regard to patients, customers, stakeholders. directly related to the effects of color, sound, smell, any exposure from the construction and/or install the company's medical equipment to a minimum.

For the part that has not been done. For example, the Board of Directors has set a policy of limiting the number of years for independent directors to no more than 9 years. The company is confident that all independent directors are knowledgeable and capable experience that is beneficial to the business of the company better. For other point, the company have not established a corporate governance committee. To oversee business operations of the company to be transparent. According to the corporate governance principles. Because of such a duty. The Board of Directors is still closely monitoring and supervising the matter. Therefore, the establishment of such committees is not considered at the present.

The company received the award in compliance with the principles of corporate governance for the year 2021.

1. The company received 100 points from the assessment of the 2021 Annual General Meeting of Shareholders, assessed by the Thai Investors Association.
2. The company received scores in the "Excellent" level of compliance with the corporate governance principles of listed companies. Assessed by the Thai Institute of Directors Association with the support of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, which scores a very good level is scores in the range of 90-100 percent.

Corporate governance structure



NOTE - The internal audit of the company is outsourced by appointing the Honor Audit and Advisory Co., Ltd. to perform the said duties.

From the corporate governance structure as of December 31, 2021, the chief executive officer position is the position "Chief Executive Officer".

At present, the company has not appointed a corporate governance committee. Since the Board of Directors involve formulating regulatory policies and supervise corporate governance, supervise, review and monitor performance of governance as well.

For executive positions according to the definition announced by the Capital Market Supervisory Board (Section 89/1) as follows:

- | | | | |
|----|---------------|-----------------|----------------------------------|
| 1. | Mr. Sompong | Chunekitiyanone | Chief Operating Officer (Acting) |
| 2. | Mr. Voravid | Silapusid | Chief Financial Officer |
| 3. | Mr. Noppadol | Suntanaphanich | Chief Quality Officer |
| 4. | Ms. Srisunun | Anuchornphan | Chief Administrative Officer |
| 5. | Ms. Sukanlaya | Khamnuan | Deputy Chief Financial Officer |



Board of Directors

As of December 31, 2021, the company has 7 Board of Directors consisting of 3 members from management, Non-Executive Directors 4 members, with 4 persons having independent qualifications, which is more than 1 in total 3 of the total number of directors. Therefore, it is considered a proper balance of the Executive Directors. The Chairman of the Board of Directors is not the same person as the Chief Executive Officer and there is no blood or business relationship between each other.

Name			Position
1.	Mr. Woodtipong	Moleechad	Chairman of the Board/Independent Director
2.	Ms. Srirat	Chuchottaworn	Director/Chairman of the Audit Committee /Independent Director
3.	Mr. Vipoota	Trakulhoon	Director/Audit Committee/Independent Director
4.	Mr. Thanawat	Lertwattanarak	Director/Audit Committee/Independent Director
5.	Mr. Sompong	Chunekitiyanone	Director
6.	Mr. Voravid	Silapusid	Director
7.	Mr. Noppadol	Suntanaphanich	Director

Company Secretary:

Ms. Srisunun Anuchornphan

Names of directors who are authorized signatories of the company:

Mr. Sompong Chunekitiyanone, Mr. Voravid Silapusid and Mr. Noppadol Suntanaphanich – Any two signatures of the three directors with company's seal shall bind the company.

Scope of Duties and Responsibilities of the Board of Directors

1. The Board of Directors must perform its duties with responsibility, carefulness and integrity as well as in compliance with the laws, company objectives, the Articles of Association and resolutions of the shareholders.
2. The Board of Directors may consider for appointment a person who possesses the qualifications and does not possess any characteristics prohibited under the Public Company Act of B.E. 2535 (1992) and the laws governing SEC and SET and any notifications, regulations and/or rules relevant to the position of Director, in case a vacancy is created due to a cause other than retirement by rotation of directors.
3. The Board of Directors may consider and appoint Executive Directors chosen from the directors of the company as well as specify the scope of power, duties and responsibilities of directors.
4. The Board of Directors may consider and appoint Independent Directors and Audit Committee members based on the qualifications and prohibited characteristics under the laws governing SEC and SET, including relevant rules, regulations and/or notifications from the Stock Exchange of Thailand (SET) or they may also propose members of the company to the shareholders' meeting for appointment as Independent Directors or appointment to the Audit Committee.
5. The Board of Directors may consider, specify and amend the list of directors with the power to authorize in the company.

6. The Board of Directors may appoint any person as their proxy to operate the company under the control of the Board or may grant said person with power to act on its behalf and/or during a specific period of time as deemed appropriate by the Board. The Board of Directors may revoke, cancel, change or amend the proxy whenever it deems appropriate.
7. The Board of Directors may approve transactions of acquisition or disposition of assets, unless the aforesaid transactions are required to be subject to approval at a shareholders' meeting. In either case, approval shall be in compliance with the relevant notifications, regulations and/or rules of the SET.
8. The Board of Directors may approve related transactions, unless the aforesaid transactions are required to be subject to approval at a shareholders' meeting. In either case, such approval shall be in compliance with the relevant notifications, regulations and/or rules of the SET.
9. The Board of Directors may approve the payment of interim dividends to shareholders in the event that the company has made sufficient profits to do so. Such payments may be reported at the following shareholders' meeting.
10. The Board of Directors shall determine the company's vision, policy and operational direction, business strategies and annual budget and supervise management to ensure compliance with the policy efficiently and effectively so as to provide maximum economic value for shareholders as well as sustainable growth.
11. The Board of Directors shall be responsible for business profits and performance of the management, with attention and care throughout all of its operations.
12. The Board of Directors must ensure that management employs appropriate and effective risk management systems.
13. The Board of Directors shall establish clear and measurable targets for business operation to be adopted as guidelines in setting the company's performance goals, taking into account their feasibility and reasonability.
14. The Board of Directors shall be consistently accountable to shareholders and operate by protecting the interests of shareholders, disclosing information that is material to investors correctly and completely with adherence to high standards and transparency.
15. The Board of Directors may consider and decide on significant matters such as policies and business plans for large investment projects, with authority to manage the acquisition or disposition of assets and any other items specified by the law.
16. The Board of Directors shall determine the power and level of approval for transactions and various tasks related to the company's operation by any committee or person as appropriate and in compliance with related legal requirements, the policies of which are to be formulated into an operation manual which must be reviewed at least one (1) time per year.
17. The Board of Directors shall provide an accounting system, financial reporting and reliable auditing and must also ensure to provide a procedure for assessing internal controls.
18. The Board of Directors shall approve the proposed appointment of the auditor and consider the yearly audit fee, which shall be presented to shareholders for their approval.
19. The Board of Directors shall report on its responsibilities in preparing the financial statements by presenting the statements together with audit results in the annual report, covering all key issues in accordance with the designated policy guidelines for directors of listed companies in the Stock Exchange of Thailand.
20. The Board of Directors shall supervise the performance of various sub-committees in accordance with any specified charters.
21. The Board of Directors must personally evaluate results of its own operations and also evaluate its overall performance results.



Scope of Duties and Responsibilities of the Chairman of the Board

1. Chairman of the Board has the duty to call a meeting of the Board of Directors and Shareholders' Meeting. Also has a role in setting the agenda with the Chief Executive Officer.
2. Control the meeting effectively. Provide enough time for the management to present the information. Support and allow the directors to freely ask questions and express their opinions and the resolution of the meeting.
3. As an important role in promoting the Board of Directors. To comply with good corporate governance principles. Ensure that all directors contribute to the company's ethical culture and good corporate governance.
4. Communicate important information to the Board of Directors.
5. Oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the company's objectives.
6. Set the board meeting agenda by discussing with the chief executive officer which important matters should be included.
7. Promote a culture of openness and debate through ensuring constructive relations between executive and non-executive directors, and between the board and management.

Term of Office of the Directors

The Board of Directors is responsible for managing the business operations of the company. The directors' term of office has been appointed in accordance with the regulations of the company, which is that at the Annual General Meeting of Shareholders one-third (1/3) of those who are directors at the time are to retire. If the number of directors at the time is not divisible by three, then the number nearest to one third (1/3) of the directors shall retire from office. Retired directors may be chosen to return to their position again.

However, any action taken to grant powers, duties and responsibilities to the Board of Directors shall not result in empowering or granting any power of attorney which may authorize the Board of Directors or a grantee to approve transactions in which s/he or any other person may have a conflict of interest (as defined in SEC and SET notifications) with the company or its subsidiaries.

The Company's sub-committees are as follows:

1. The Audit Committee
2. Nomination and Remuneration Committee
3. Executive Committee
4. The Risk Management Sub-Committee

Audit Committee

Board of Directors has approved the establishment of the Audit Committee who are three (3) Independent Directors possess all the qualifications as stipulated by the Office of the Securities and Exchange Commission (SEC), as follows:

Name			Position
1.	Ms. Srirat	Chuchottaworn	Chairman of Audit Committee / Independent Director
2.	Mr. Vipoota	Trakulhoon*	Audit Committee / Independent Director
3.	Mr. Thanawat	Lertwattanak	Audit Committee / Independent Director

Note: - *Audit Committee member with knowledge and experience in verifying the creditability of the financial statements.

Scope of Duties and Responsibilities of the Audit Committee

1. The Audit Committee shall review financial reports to ensure that they are accurate and reliable and provide adequate disclosure by coordinating with the external auditors and the Executive(s) responsible for preparing the quarterly and annual financial reports.
2. The Audit Committee shall review the appropriateness of the company's Internal Controls and Internal Audit policies to ensure that they are suitable and effective. The Committee shall also verify the independence of the Internal Audit as well as approve the appointment, transfer and dismissal of the head of the Internal Audit agency or any other agency responsible for the Internal Audit. The Audit Committee may suggest a review or inspect any items that it deems important or necessary along with providing suggestions on how to improve the essential, mandatory system of internal controls to the Board of Directors by reviewing and comparing notes with the External Auditor and the Internal Systems Audit Manager.
3. The Audit Committee shall verify the implementation Securities and Stock Exchange laws or regulations of the SET, and policies, rules or regulations and other laws relating to the company's business.
4. The Audit Committee shall appoint, reappoint or dismiss/removal by considering the independence of the auditor, knowledge, ability, experience, past audit work and make a proposal for the remuneration of the company auditor to the Board of Directors. In addition, the Audit Committee shall meet with the auditor independently of the company Management at least one time per year.
5. The Audit Committee shall review the Company's internal audit plan according to generally accepted procedures and standards.
6. The Audit Committee shall review related transactions or transactions that may have conflicts of interests to ensure that they are in compliance with the laws and regulations of the SET as well as verify that the correlating disclosure of information is accurate and complete, to ensure that any such transactions are conducted appropriately and in the best interests of the company.
7. The Audit Committee shall verify that the company's risk management systems are appropriate and effective.
8. The Audit Committee shall conduct a self-report on the performance of the Audit Committee to the Board of Directors at least four (4) times a year. (Quarterly)
9. The Audit Committee shall prepare a report of the Audit Committee which shall be disclosed in the annual report of the company. The report must be signed by the Chairman of the Audit Committee and must contain the following information at minimum:
 - 9.1 An opinion on the accuracy, completeness and reliability of the financial statements of the company and an opinion on the adequacy of the company's Internal Controls.
 - 9.2 An opinion on the company's compliance with Securities and Exchange laws and SET regulations or laws which relate to the company's business.
 - 9.3 An opinion on the suitability of the auditor.
 - 9.4 An opinion on related transactions or transactions that may have conflicts of interest.
 - 9.5 The number of meetings held by the Audit Committee and attendance records of each member of the Audit Committee.
 - 9.6 Opinions or overall observation on the Audit Committee's performance of its duties as stipulated in the committee Charter.
 - 9.7 Other matters that shareholders and investors should be informed of which pertain to their scope of duties and responsibilities as assigned by the Board of Directors.
10. The Audit Committee shall contribute their opinion whenever the company evaluates the appointment, dismissal or performance of Internal Audit officials.
11. Within its scope of duties and as part of its performance, the Audit Committee is authorized to invite any related persons from the Management, Executives, or company employees to comment, attend meetings or submit those documents which are deemed relevant or necessary.



12. The Audit Committee is authorized to hire a consultant or a third party, in accordance with company regulations, to comment or offer advice if necessary.
13. The Audit Committee shall evaluate its performance by making a self-assessment and submitting assessment reports – noting any problems and obstacles encountered which could have caused its operation to fall short of the intended objective with which the Audit Committee was established – to the Board of Directors every year.
14. The Audit Committee shall consider, review and update the Charter of the Audit Committee.
15. The Audit Committee shall perform other duties as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

Term of Office of the Audit Committee

Term of office of the Audit Committee is 3 years from the date of the resolution. At the end of the term, if the Board of Directors or the shareholders' meeting has not yet passed a resolution to appoint a new audit committee. The original audit committee shall continue to perform its duties until the Board of Directors or the shareholders' meeting has appointed the new audit committee in place of the previous one and/or the term of office of the company's director. The new audit committee must be independent directors and qualified as audit committees.

Nomination and Remuneration Committee

The Board of Directors has approved the appointment of 5 members of the Nomination and Remuneration Committee, consisting of 3 independent directors or 60% of the Nomination and Remuneration Committee. as follows;

Name			Position
1.	Mr. Vipoota	Trakulhoon	Chairman of the Nomination and Remuneration Committee/ Independent Director
2.	Ms. Srirat	Chuchottaworn	Nomination and Remuneration Committee/Independent Director
3.	Mr. Thanawat	Lertwattanak	Nomination and Remuneration Committee/Independent Director
4.	Mr. Sompong	Chunekitiyanone	Nomination and Remuneration Committee
5.	Mr. Voravid	Silapusid	Nomination and Remuneration Committee

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

Recruitment

1. The Nomination and Remuneration Committee shall determine the method of recruitment for Directors who are suitable to the company's line of business and organizational operations by specifying the Directors' required characteristics and desired areas of expertise. It also takes into accountability of Board Diversity and Board Skills Matrix for consideration.
2. The Nomination and Remuneration Committee shall recruit Directors on the occasion when Directors must be nominated for consideration by the Board. The selection may also come from Directors who are already holding the position to continue to do so, individuals nominated by shareholders, recruitment by an outside company, individuals from a directory of professional directors or allowing each Director to nominate a suitable individual, for example.

3. The Nomination and Remuneration Committee shall review the list of individuals who have been nominated and select the qualified person in accordance with the qualifications specified.
4. The Nomination and Remuneration Committee shall ensure that the person to be nominated is qualified according to the laws and regulations of the relevant authorities.
5. The Nomination and Remuneration Committee shall approach individuals who are qualified in accordance with the criteria defined in order to ensure that such individuals are willing to accept the position of Director of the company if appointed by shareholders.
6. The Nomination and Remuneration Committee shall nominate individuals for consideration by the Board and include their names in the written invitation to the shareholders' meeting for the approval of the shareholders' meeting.
7. The Nomination and Remuneration Committee shall approve the appointment of Senior Management at the Executive Vice President level and above as assigned by the Board of Directors.
8. Review the succession plan of the Chief Executive Officer. Then will also recruit qualified candidates for recruitment and propose to the Board of Directors for appointment in case vacant position.

Remuneration

1. The Committee must consider the suitable criteria for determining the remuneration of Directors and Sub-Committee by evaluating the appropriateness of the criteria currently in use, and compare it with the remuneration used by other companies in the same industry as the company. The Nomination and Remuneration Committee shall establish suitable criteria to contribute to the expected performance which are fair and properly compensate the individuals who help the company's operation to succeed.
2. The Committee must review all forms of remuneration, such as the fixed remuneration, performance-based remuneration and attendance fees, by taking into account the practices used in the industry, business profits and the size of the company's business as well as the responsibilities, knowledge, skills and experience of the Directors and Sub-Committee as desired by the company.
3. The Committee must consider the criteria for appraising the performance of top executive management as delegated by the Board of Directors.
4. The Committee must determine the annual remuneration of Directors and Sub-Committee according to proposed guidelines of remuneration and present it to the Board of Directors to approve the remuneration of the Directors, the Chief Executive Officer, the Group Executive Directors and Senior Management. As for the remuneration of Directors, the Board of Directors shall propose it to the shareholders' meeting for approval.
5. The Committee must consider the appropriateness and give approval in the event of a new employee stock option plan for Directors and employees, while adhering to principles that are fair to the shareholders and motivating to Directors, executive and employees in their performance, resulting in greater value for shareholders in the long term and positively maintaining qualified personnel.

Apart from the composition of the board, The Nomination and Remuneration Committee may also consider the Board Diversity, such as directors from various stakeholder groups, education, experience, age, sex etc. However, if the company has a new business strategy in addition to the existing business. The Nomination and Remuneration Committee may add additional qualifications and experience to the new business that the company will expand.



Executive Committee

As of December 31, 2021, the Board of Directors has approved the appointment Executive Committee consisted of five (5) members as follows:

Name			Position
1.	Mr. Sompong	Chunekitiyanone	Executive Chairman
2.	Mr. Voravid	Silapusid	Executive Committee
3.	Mr. Noppadol	Suntanaphanich	Executive Committee
4.	Ms. Sukanlaya	Khamnuan	Executive Committee
5.	Ms. Srisunun	Anuchornphan	Executive Committee

Scope of Duties and Responsibilities of the Executive Committee

1. The Executive Committee shall provide oversight on the management of the company to ensure that it adheres to policies set by the Board of Directors and must report business operation results to the Board of Directors.
2. The Executive Committee shall define the scope of power and level of authorization for each individual, and provide for the separation of duties that when combined could easily lend themselves to fraud, and define the appropriate steps and any due process that must be observed when performing business transactions with major shareholders, Directors, Executives or other related persons in order to prevent any inappropriate transference of benefits. These rules and requirements must be presented to the Board of Directors for approval. The Executive Committee must also ensure that all ensuing actions and practices are in compliance with those rules and requirements which have already been approved.
3. The Executive Committee shall evaluate the annual budget and budget spending process and present their conclusions to the Board of Directors. It shall also provide oversight to the company's spendings to ensure compliance with budgets that have already been approved by the Board of Directors.
4. The Executive Committee shall evaluate and improve the company's business plan as is suitable for the benefit of the company.
5. The Executive Committee shall evaluate and approve investments and set investment budgets according to its authority as prescribed in the operations manual.
6. The Executive Committee shall evaluate contracts that are binding on the company according to its authority as prescribed in the operations manual.
7. The Executive Committee shall be responsible to adequately provide significant information pertaining to the company in order to facilitate informed decisions by the Board of Directors and shareholders, including the preparation of reliable financial reporting according to good and transparent standards.
8. The Executive Committee shall evaluate the profits and losses of the company and propose the year's annual dividend payments to the Board of Directors.
9. The Executive Committee shall evaluate new business operations or the closing of a business operation in order to present its conclusions to the Board of Directors.
10. The Executive Committee shall supervise the provision of procedures for workers to report any incidents, misconduct or wrongdoing promptly to the Executive Committee. In the case that such incidents have significant repercussions, the Board of Directors must be informed in order that the matter may be corrected in the most timely manner.

11. The Executive Committee shall take any action to support the implementation of the above or the opinion of the Board of Directors or as authorized by the Board of Directors.
12. Any action proposed to the Executive Committee on any matter which has been voted on and/or approved by the Executive Committee shall be reported significant information to the Board of Directors for acknowledgement at the following meeting of the Board of Directors.

However, the assignment of powers, duties and responsibilities to the Executive Committee as stated above does not which does not include granting power and/or sub-granting power to a grantee to approve transactions in which the Executive or the grantee or any person who may have conflicts of interest (as defined in the Notification of the Capital Market Supervisory Board), may be stakeholders, have a vested interest, or receive benefits in conflict with the interests of the company. The approval of such transactions must be submitted to the Board of Directors and/or the shareholders' meeting (depending on the situation) for approval in accordance with the Articles of Association or related laws.

The Risk Management Sub-Committee

As of December 31, 2021, the company's Risk Management Sub-Committee consisted of eight (8) members as follows:

Name			Position
1.	Mr. Sompong	Chunekitiyanone	Chairman of Risk Management Sub-Committee
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.	Mr. Wutthichai	Boonrat	Risk Management Sub-Committee
6.	Ms. Siwaporn	Imsamran	Risk Management Sub-Committee
7.	Ms. Anchasa	Sangsrichan	Risk Management Sub-Committee
8.	Ms. Srisunun	Anuchornphan	Risk Management Sub-Committee/Secretary

Scope of Duties and Responsibilities of the Risk Management Sub-Committee

1. The Risk Management Sub-Committee shall determine the policy and structure of the company's risk management system to be presented to the Board of Directors in compliance with the guidelines for risk management from the Stock Exchange of Thailand and the Institute of Internal Auditors of Thailand.
2. The Risk Management Sub-Committee shall set up strategies in accordance with the risk management policy in order to evaluate, monitor and control each type of risk to remain within acceptable risk parameters for the firm, through involving various agencies in risk management and risk control.
3. The Risk Management Sub-Committee shall assess risks at the organizational level and determine how to manage those risks to remain within acceptable risk parameters for the firm, as well as supervise the management of risk through methods as prescribed.
4. The Risk Management Sub-Committee shall review the current policy of risk management and improve its efficiency and effectiveness in order to provide adequate risk control.



5. The Risk Management Sub-Committee shall have the authority to call any related persons to clarify or to appoint and define the role of staff at every level to be responsible for risk management as appropriate and to report to the Risk Management Sub-Committee for risk management purposes.
6. The Risk Management Sub-Committee shall report the risk management outcome to the Executive Committee and Audit Committee for presentation to the Board of Directors on at least twice a year.
7. The Risk Management Sub-Committee shall prepare a risk management manual.
8. The Risk Management Sub-Committee shall identify risk areas and to analyze and evaluate the risk potential, including trends which affect the company.
9. The Risk Management Sub-Committee shall set up a plan to prevent or reduce risk.
10. The Risk Management Sub-Committee shall evaluate and produce a risk management report.
11. The Risk Management Sub-Committee shall set up an integrated risk management system by linking it with existing information systems.
12. The Risk Management Sub-Committee shall perform other duties as the Board deems appropriate.

Management information

As of December 31, 2021, the company has 5 executives as follows:

Name			Position
1.	Mr. Sompong	Chunekitiyanone	Chief Executive Officer Chief Operating Officer (Acting)
2.	Mr. Voravid	Silapusid	Chief Financial Officer Human Resource Manager (Acting)
3.	Mr. Noppadol	Suntanaphanich	Chief Quality Officer
4.	Ms. Srisunun	Anuchornphan	Chief Administrative Officer
5.	Ms. Sukanlaya	Khamnuan	Deputy Chief Financial Officer

Scope of Duties and Responsibilities of the Chief Executive Officer

1. To control the business operations, determine strategic operational planning, and manage the daily administration of the company.
2. To decide on important matters of the company, determine company mission, objectives and company policies as well as control the administration in various lines of operation.
3. To have the authority to direct, contact, command as well as sign contracts, written executive orders and notices as specified in the operation manual.
4. To have the authority to hire, appoint and transfer personnel as appropriate as well as determine the scope of authority, responsibility and reasonable remuneration for said personnel, and to have the authority to dismiss and lay off the staff at various levels as appropriate, as specified in the operation manual.
5. To have the authority to determine the terms of trade for the benefit of the company.
6. To consider investments in new businesses or termination of businesses in order to present to the Executive Committee and/or Directors.
7. To approve and appoint consultants for various aspects as necessary for company operations.
8. To perform any duties as assigned by the Executive Committee and/or Directors.

However, along with the assignment of power, duties and responsibilities of the Chief Executive Officer as stated above, the CEO must comply with the requirements and agenda that has been approved by the Board of Directors which does not include granting power and/or sub-granting power to a grantee to approve transactions in which the CEO or the grantee or any person who may have conflicts of interest (as defined in the Notification of the Capital Market Supervisory Board), may be stakeholders, have a vested interest, or receive benefits in conflict with the interests of the company. The approval of such transactions must be submitted to the Board of Directors and/or the shareholders' meeting (dependant to circumstance) for approval in accordance with the Articles of Association or related laws.

Information about employees

Number of employees (excluding Executives)

As of December 31, in each year, the company had the following number of employees:

Number of Employees	Year 2019	Year 2020	Year 2021
Finance and Accounting	3	3	4
Sales and Marketing	4	6	8
Quality and Service	4	5	5
Business Development	1	1	2
General Administration	2	3	1
Project Management	2	4	3
Company Secretary	1	1	1
Total (person)	17	23	24

Total Compensation of Staff, Company Employees and Types of Compensation

(Unit: million Baht)

Type of Compensation	Year 2019	Year 2020	Year 2021
Compensation of employees in the form of salary, bonus, overtime, commission, social security, provident funds, welfare etc.	18.51	21.49	32.35

Other important information

• Accounting Supervisor: (Ms. Sukanlaya Khumnuan) Effective date December 23, 2015

The person assigned to take direct responsibility for accounting supervision. To have accounting Financial reports are accurate, complete, legal and truthful and have quality reports and delivered to the relevant departments as schedule. There is also a training course to develop knowledge in accounting in accordance with the criteria specified in the announcement of the Department of Business Development. (Details appear in the attachment)

• Company Secretary (Ms. Srisunun Anuchornphan) Effective date January 1, 2017

As per the provisions of Article 89/15 The Securities and Exchange Act (No. 4) BE 2551, the Board of Directors must provide a Company Secretary who shall assume responsibilities on behalf of the Company or its Board of Directors. The Board of Directors' Meeting on December 23, 2016 has appointed Ms. Srisunun Anuchornphan



as the Company Secretary, effective January 1, 2017, with the following roles, duties and responsibilities being applicable to the Company Secretary.

1. To prepare and maintain the following documents:
 - 1.1 The Register of Directors
 - 1.2 Notice of the Board of Director's Meeting, minutes of the Board of Director's Meeting, and the Company Annual Report;
 - 1.3 Notice of the Shareholders' Meeting and minutes of the Shareholders' Meeting.
2. To maintain reports on stake holding submitted by the Directors or Management and send a copy of the report to the Chairman of the Board and Chairman of the Audit Committee within seven business days from the date the company received the report.
3. To prepare a system for the preservation of documents and evidence related to the disclosure of below information as well as to ensure the complete and verifiable preservation of such documents or evidence for a period of not less than five (5) years from the date the documents or information were created. The preservation of such documents and evidence of the above shall include storage in a computer system or any other system that allows them to be retrieved and viewed without modification of the content.
 - 3.1 Information pertaining to the resolutions of the Shareholder's Meeting.
 - 3.2 Financial statements and reports on the financial position and operating results of the company or any other reports required to be disclosed according to Section 56, Section 57, Section 58 or Section 199 of the Securities and Exchange Act.
 - 3.3 The opinion of the company towards offers tendered for the shares of the company by the general shareholders.
 - 3.4 Information provided or reports regarding any other business that the company has prepared for distribution to the shareholders or the general public as stipulated by the Capital Market Supervisory Board.
4. To perform other duties as prescribed further by the Capital Market Supervisory Board.
5. The Company Secretary must perform duties with responsibility, care and integrity and conduct the company's business in compliance with the laws, company objectives, Articles of Association, and resolutions of the Board of Directors as well as resolutions of the shareholders and not commit any act which is contrary to or significantly inconsistent with the interests of the company.
6. The Company Secretary must act with responsibility and prudence as an intelligent individual in business would under the same circumstances by adhering to the following:
 - 6.1 Decisions and actions taken in good faith and integrity, with intention for and in accordance with what will bring the greatest benefit to the company;
 - 6.2 Decisions and actions taken based on a foundation of knowledge that is believed in good faith to be sufficient;
 - 6.3 Decisions and actions taken without a vested personal interest, whether directly or indirectly, in the decision or its outcome.

In case the Company Secretary retires or is unable to perform his or her duties, the Board of Directors shall appoint the new Company Secretary within 90 days from the date which the Company Secretary retired or was unable to perform his or her duties.



• Head of Internal Audit : (Ms. Piyamas Ruangsangroop) Effective Date April 16, 2015

The company has no internal audit department within the company. However, it has appointed Honor Audit and Advisory Co., Ltd., outsourcing its audit office to the said party to assess the internal controls of the company and the adequacy of the internal control system. The Internal Auditor will report the results of the internal audit to the meeting of the Audit Committee. The person has direct contact with the internal auditor is the Chief Financial Officer. As well as prepare an annual internal audit plan to present to the Audit Committee for approval of the plan in order to track and monitor the integrity of the operations to be in line with the company policy. The company has continually updated and improved the quality of its internal controls. Ms. Piyamas Ruangsangroop, Executive Director is the main responsible person for performing the duties of the company's internal auditors. To audit and assess the sufficiency of the internal control system and report the audit results to the Audit Committee regularly every quarter.

In addition, the company has set up a system to supervise the company's business in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand, etc., and establish corporate governance policies. Balance To determine the Board of Directors, Audit Committee, Top management department and employees must comply with the law. Including communicate with employees to realize that every employee has a duty and accountability to study and understand the laws and regulations involved in the job responsible and perform them correctly and completely Strictly adhere to the rules (Details appear in the attachment)

Investor Relations

The company provides a responsible person. Coordinate in communication between shareholders, institutional investors, investors, analysts to disclose important information. Investors can contact 'Srisunun Anuchornphan' Company Secretary/Investor Relations as at Email: ir@bizalignment.com or Tel: +66 2636 6828-9 ext 25

Investor Relations Activities

The company also focuses on disclosure information through investor relations activities. Executives are involved in providing information and meeting investors, analysts to gain a better understanding of the operating of the company and to strengthen the relationship. It also promotes continuous exchange of information such as,

- Participation in the Opportunity Days organized by the SET on a quarterly basis. (4 times)
- Arrange management activities to meet analysts (Analyst Meeting) (1 time)
- Press releases are made on a regular basis. It is also published on the company's website.

Auditor Remuneration

The company paid audit fees for the review of the year 2019-2021 financial statements to M.R. & Associates Company Limited.

- Ms. Kornthip Wanichwisedkul, Certified Public Accountant No. 6947, was the Auditor of the company for the year 2019
- Ms. Kornthip Wanichwisedkul, Certified Public Accountant No. 6947, was the Auditor of the company for the year 2020
- Ms. Kornthip Wanichwisedkul, Certified Public Accountant No. 6947, was the Auditor of the company for the year 2021



The details of the audit fees are as follows:

1. Remuneration of Auditor (Audit Fee)

(Unit: Baht)

Audit Fees	Year 2019	Year 2020	Year 2021
Annual audit fee	800,000	900,000	900,000
Audit fee for quarterly financial statements	800,000	900,000	900,000
Total	1,600,000	1,800,000	1,800,000

2. Other charges (Non-Audit Fee) -none -

Corporate Governance Report

The Board of Directors has reviewed this corporate governance policy at least once a year, which the Board of Directors has found that the company has adopted most of the practices. In the latest review (February 24, 2021), the Board of Directors had been informed of the current activities of the company and has an additional improvement from the previous year. The Board of Directors has agreed to cover and keep up with the evolving corporate governance developments. In accordance with good corporate governance principles.

Following up on policies and practices in corporate governance

In the year 2021, from monitoring the performance of various corporate governance activities such as the prevention of conflicts of interest. Using inside information for profit Anti-corruption, whistleblowing. No flaws were found in violation of or misconduct of any code of conduct.

Meeting Attendance of the Board of Directors and Sub-Committee in the year 2021

Board of Directors and Sub-committees will acknowledge the schedule in advance throughout the year. The Board can allocate time to attend the meeting. The company secretary sends the meeting invitation letter confirming the date, time, venue, agenda and content of each meeting at least 7 days before the meeting date.

Name			Year 2020			Year 2021		
			Baord Meeting	Audit Committee Meeting	NRC Meeting	Baord Meeting	Audit Committee Meeting	NRC Meeting
1.	Mr. Woodtipong	Moleechad	[9]/[9]	-	-	[9]/[9]	-	-
2.	Ms. Srirat	Chuchottaworn	[9]/[9]	[4]/[4]	[2]/[2]	[9]/[9]	[4]/[4]	[2]/[2]
3.	Mr. Vipoota	Trakulhoon	[9]/[9]	[4]/[4]	[2]/[2]	[9]/[9]	[4]/[4]	[2]/[2]
4.	Mr. Thanawat	Lertwattanarak	[9]/[9]	[4]/[4]	[2]/[2]	[9]/[9]	[4]/[4]	[2]/[2]
5.	Mr. Sompong	Chunekitayanone	[9]/[9]	-	[2]/[2]	[9]/[9]	-	[2]/[2]
6.	Mr. Voravid	Silapusid	[9]/[9]	-	[2]/[2]	[9]/[9]	-	[2]/[2]
7.	Mr. Noppadol	Suntanaphanich	[9]/[9]	-	-	[9]/[9]	-	-

Remark : [Total Meeting]/[Meeting Attendance]



Summary of the Remuneration of Directors in the year 2019–2021

Name		Year 2019 (Baht)	Year 2020 (Baht)	Year 2021 (Baht)
1.	Mr. Woodtipong Moleechad	330,000	390,000	405,000
2.	Ms. Srirat Chuchottaworn	310,000	360,000	370,000
3.	Mr. Vipoota Trakulhoon	295,000	350,000	360,000
4.	Mr. Thanawat Lertwattanarak	290,000	340,000	350,000
5.	Mr. Sompong Chunekeityanone	60,000	110,000	110,000
6.	Mr. Voravid Silapusid	60,000	110,000	110,000
7.	Mr. Noppadol Suntanaphanich	50,000	90,000	90,000
Total		1,395,000	1,750,000	1,795,000

Notes:

- Directors' remunerations included monthly remuneration and meeting allowance for each attendance. For Mr. Sompong Chunekeityanone, Mr. Voravid Silapusid and Mr. Noppadol Suntanaphanich Executive Director, there will be no monthly remuneration as director.
- Independent directors also receive meeting allowances for attending the shareholders' meeting.
- Directors' remuneration, the remaining amount from the amount of 2 million Baht, the average calculation for all independent directors.
- Directors do not receive any remuneration for their directorship in subsidiaries.

Other benefits - None

Performance of the duties of the Audit Committee in the past year

- In addition to reporting the performance of duties as specified in the Audit Committee Report. The Audit Committee also provided valuable advice on management and supervision of subsidiaries
- Providing advice and guidelines for internal audit of the company, to have more perspectives in different dimensions to give shareholders and investors confidence that the Audit Committee gives importance to inquiring about the adequacy and appropriateness of the company's internal control system.

Performance of the duties of the Nomination and Remuneration Committee in the past year

- In addition to reporting the performance of duties as specified in the Nomination and Remuneration Committee Report. It also provides additional guidance for reviewing succession policies. To be more current, for the benefit of management and recruiting suitable people to take the position of top management.
- Provide opportunities for shareholders to participate in the nomination of persons to be considered for the election of directors in advance. In the year 2021, the company is allowed to exercise their rights from November 11, 2021, to December 30, 2021 by notifying through SETLINK of the Stock Exchange of Thailand and the company's website which details the methods and procedures for consideration to present to the Board of Directors and the 2021 Annual General Meeting of Shareholders. No shareholder nominated a person to be considered for election as a director.
- The Nomination and Remuneration Committee has considered according to the nomination criteria. considered that the directors who had to retire by rotation have full qualifications according to the Public Company Limited Act B.E. 2535. It has passed the analysis of qualifications, knowledge, abilities, experience and expertise (Board Skill Matrix) that are consistent and necessary for the Company's business strategy. Therefore, the matter was proposed through the resolution of the Board of Directors. As an agenda in the 2021 Annual General Meeting of Shareholders, the retiring directors shall be re-elected for another term.

Internal Control

At the Board of Directors' Meeting has assessed the adequacy of the internal control system of the company based on five components which are the organization and environment, risk management, operational control of the Management, the information and data communication systems and the monitoring system.

For the implementation of the internal control system, the Audit Committee of the company reviewed the internal control system and the business operations of the company by cooperating with the Auditor, the internal auditor and Management on the review of the financial reports for the adequate and reliable disclosure of information in order for the operations of the company to comply with the law on Securities and Exchange, regulations of the Stock Exchange of Thailand, as well as any rules, notifications and laws related to the business of the company.

In the Board of Directors Meeting No. 1/2021 on February 24, 2021, the Audit Committee reported to the Board of Directors. With the opinion that The Audit Committee has evaluated and gave opinions on the sufficiency assessment form of the Company's internal control system for the year 2020, which presented by the internal audit team (Honor Audit and Advisory Company Limited) is sufficient and appropriate. By using the sufficiency assessment form of the Company's internal control system in various areas, 17 key items according to the SEC's internal control system adequacy assessment form, which considered that the company had adequate and appropriate internal control With the business operation of the company In this regard, a performance report of the Audit Committee has been prepared which covers topics on the internal control system. The report is signed by the Chairman of the Audit Committee.

Deficiencies in internal control

For the deficiencies in the internal control system in the past year, it was found that the issues that the internal audit team reported to the Audit Committee each quarter. Most of this is due to the amount of documentation at certain stages of the work process that may be unguarded in practice resulting in incomplete storage or tracking according to the work manual. This is not a major point that will damage any work in the business. Moreover, when receiving the advice. They have followed up have been revised and corrected completely and did not find such issues in the next quarter and the internal audit team reports to the Audit Committee and the Board of Directors every quarter. In summary, the defects found do not result in inefficient internal control system in any way.

Opinion of the Audit Committee on appointment of the Head of Internal Audit

The Audit Committee has considered the qualifications of Honor Audit and Advisory Co., Ltd. and Ms. Piyamas Rueangsaengrob are suitable enough to perform the Company's internal audit duties. Because they are independent and have experience in performing internal auditing. There is ongoing training and development in courses related to the performance of internal auditing. In this regard, the consideration and approval for the appointment and removal of the person holding the position of the internal audit supervisor will be approved by the audit committee. According to the profile of the head of the internal audit.



Connected Transactions

Description of Transactions

The Company had transactions with persons who may have conflicts of interest which were connected transactions that occurred between Directors and/or Management and/or major shareholders and related companies, of which the persons who have conflicts of interest are Directors and/or Management and/or major shareholders of the company, occurring in fiscal year 2019-2021, respectively, as follows:

Companies/Persons who may have a conflict	Description of Connected Transactions	Connected transaction		
		Fiscal Year 2019 As of December 31, 2019	Fiscal Year 2020 As of December 31, 2020	Fiscal Year 2021 As of December 31, 2021
1. Mr. Sompong Chuenkitiyane	- Director, Chairman of Executive Committee, Chief Executive Officer, Chairman of Risk Management Sub-Committee, Nomination and Remuneration Committee member, Executive Chairman and Chief Operating Officer (Acting) of the company. - The company's major shareholder, holding 32.12 percent of the paid-up capital of the company as of December 31, 2021	✓	✓	✓
2. Mr. Voravid Silapusid	- Director, Executive Committee, Chief Finance Officer, Risk Management Sub-Committee member, Nomination and Remuneration Committee, Human Resources Manager (Acting) of the company. - The company's major shareholder, holding 30.25 percent of the paid-up capital of the company as of December 31, 2021	✓	✓	✓
3. Sathorn Sixteen Company Limited Operate real estate rental business There are 3 directors of the company which are: 1) Mr. Sompong Chuenkitiyane 2) Mr. Voravid Silapusid 3) Mr. Noppadol Suntanaphanich	- Mr. Sompong Chuenkitiyane holding 42.50% of the paid-up capital of Sathorn Sixteen Co., Ltd. - Mr. Voravid Silapusid holding 42.50% of the paid-up capital of Sathorn Sixteen Co., Ltd. - Mr. Noppadol Suntanaphanich holding 10.00% of the paid-up capital of Sathorn Sixteen Co., Ltd.	✓	✓	✓

Details of Connected Transactions

Details of connected transactions between the company and persons who may have conflicts of interest, which occurred in fiscal year 2019-2021 as of December 31, 2019– 2021 are as follows.

Persons who may have a conflict	Description of Connected Transactions	Value of the transaction (million Baht)			Necessity and Rationale
		As of December 31, 2019	As of December 31, 2020	As of December 31, 2021	
1. Mr. Sompong Chunekitiyanone	<u>Guaranteeing the collateral for credit line and short-term loans to financial institutions for the company</u> Mr. Sompong Chunekitiyanone made collateral guarantees for the company - in the amount of 115.00 million Baht for the year 2019 - the amount of 115.00 million Baht for the year 2020 - the amount of 55 million Baht for the year 2021 without having charged any fee for making the guarantee and currently there are still outstanding amounts from the letter of guarantee of the aforesaid transaction.	Outstanding balance 16.22	Outstanding balance 8.04	Outstanding balance 0.00	The company is required to have a guarantee for a credit line and short-term loan from domestic financial institutions to be used as working capital for the company's liquidity in operations. For this type of guarantee for the loan, there will be no charges or fees for the guarantee whatsoever. <u>Opinion of the Audit Committee</u> The Audit Committee has evaluated and commented that such transaction is reasonable and occurred because there is a need to bring benefits to the company in requesting credit line guarantees and short-term loans from financial institutions in order to carry out its business.
2. Mr. Voravid Silapusid	<u>Guaranteeing the collateral for credit line and short-term loans to financial institutions for the company</u> Mr. Voravid Silapusid made collateral guarantees for the company - in the amount of 115.00 million Baht for the year 2019 - in the amount of 115.00 million Baht for the year 2020 - in the amount of 55 million Baht for the year 2021	Outstanding balance 16.22	Outstanding balance 8.04	Outstanding balance 0.00	The company is required to have a guarantee for a credit line and short-term loan from domestic financial institutions to be used as working capital for the company's liquidity in operations. For this type of guarantee for the loan, there will be no charges or fees for the guarantee whatsoever. <u>Opinion of the Audit Committee</u> The Audit Committee has evaluated and commented that such transaction is reasonable and occurred because there



Persons who may have a conflict	Description of Connected Transactions	Value of the transaction (million Baht)			Necessity and Rationale
		As of December 31, 2019	As of December 31, 2020	As of December 31, 2021	
	without having charged any fee for making the guarantee and currently there are still outstanding amounts from the letter of guarantee of the aforesaid transaction.				is a need to bring benefits to the company in requesting credit line guarantees and short-term loans from financial institutions in order to carry out its business.
4. Sathorn Sixteen Company Limited	<u>The expenses of the rent office space.</u> - The company rents office space from Sathorn Sixteen Company Limited. <u>Current Assets</u> - Deposits office space <u>Accounts payable and other payables</u> - Accrued expenses	The rents 1.63 Deposits 0.41 House and building tax 0.06	The rents 1.63 Deposits 0.41 House and building tax 0.06	The rents 1.63 Deposits 0.41 House and building tax 0.06	The company rents office space which the company's proprietary of Sathorn Sixteen Company Limited space leased 227 square meters for use the office for 12 months, start from 1 January 2019 to 31 December 2024 total 600 Baht per square meter per month totaling 136,200 Baht per month. The rental rates are rate similar to the rate in Sathorn Thani Building, which is equal to 600 Baht per square meter per month. In addition, the contract provides the company is responsible for payment of utilities and other services to the juristic person Sathorn Thani and MEA directly. If the company would like to renew the contract. The company must be informing by letter in advance in writing within 90 days before the expiration of this contract. Both sides have agreed to the new rates. <u>Opinion of the Audit Committee.</u> The Audit Committee considered and commented that the transaction is reasonable and to the benefit of the business. In addition, rental rates and contract terms are reasonable and according to the nature of its business.

Measures or Procedures in Approving Related Transactions

Board of Directors has approved principles pertaining to trade agreements with under general terms of trade in transactions between the company and related companies or persons, persons who may have a conflict of interest and persons who are stakeholders or may potentially have a conflict of interest in the future. The approved principles allow the Management to approve such transactions if the transaction is performed under a trade agreement such as would be made between a reasonable individual and the other contract party in the same circumstances, through the use of trade negotiation power that is free from the influence of their status as Directors, Executives or related persons. Moreover, its priced according to fair and at arms' length principle. In this case, the Management of the company can operate normally under the principles that the Board of Directors has approved and summarize a report of any such transactions that occurred during the previous period in order to report to the meeting of the Audit Committee on a quarterly basis or upon the request of the Board of Directors.

In the event the transaction is not a normal commercial transaction, the company will provide an opinion by the Audit Committee about the necessity and appropriateness of the transaction. If the Audit Committee does not have the expertise to evaluate a potential transaction, the company will consider allowing an independent appraiser, independent specialist or an auditor to comment on the related transaction to the Audit Committee with an evaluation that the Committee may use to form its decision and comment to the Board of Directors or shareholders, according to circumstance, for approval before such a transaction is made. In this case, the company will disclose the related transaction in the accompanying notes to the financial statements which have been audited by the auditor of the company and if the company's ordinary shares are listed on the Market for Alternative Investment (mai) the company will disclose such transactions in the Annual Registration Statement (Form 56-1) and the company's Annual Report (Form 56-2) and 56-1 One Report in accordance with the regulations and laws of the Securities and Exchange Commission. In this event, the approval of such related transactions shall be treated in accordance with the laws of the Securities and Exchange Commission and the regulations, notifications, orders or provisions of the Stock Exchange of Thailand. Persons who may have conflicts or interests in related transactions will not be entitled to vote on such related transactions.

Policy and Trends of Future Related Transactions

The Board of Directors' Meeting has specified a policy on entering into related transactions that in the future, if it is necessary to have related transactions with persons who may have conflicts of interest with the company, the company will determine the conditions according to the nature of its normal trade practices and market prices which can be compared with reference prices or conditions that would occur in with companies running the same or similar business which the company has dealt with externally. In such a situation, the company will allow the Audit Committee to comment on the price, remuneration, as well as the necessity and appropriateness of such transactions. If the Audit Committee does not have the expertise to consider the transaction, the company will select an independent appraiser, independent specialist, or the auditor of the company, to comment on the aforesaid transaction to provide the Audit Committee with sufficient background to formulate its decision and comment to the Board of Directors or shareholders, according to the circumstance. The company will disclose the related transaction in the accompanying notes to the financial statements which have been audited by the auditor of the company. And if the company's ordinary shares are listed on the Market for Alternative Investment (mai), the company will disclose such transactions in the Annual Registration Statement (Form 56-1) and the company's Annual Report (Form 56-2) and 56-1 One Report in accordance with the regulations and laws of the Securities and Exchange Commission. In this event, the approval of such related transactions shall be treated in accordance with the laws of the Securities and Exchange Commission and the regulations, notifications, orders or terms of the Stock Exchange of Thailand.



For related transactions that may occur in the future, Directors must comply to prescribed rules and must not approve any transaction which the Directors themselves or other persons may have conflicts of interest with the company. They must also disclose such transactions to the Board of Directors for consideration. The company must comply with the laws of the Securities and Exchange Commission and regulations, notifications, orders or terms of the Stock Exchange of Thailand and with requirements relating to the disclosure of related transactions and the acquisition or disposition of the company's assets, and maintain strict compliance with the accounting standards set by the Association of Accountants. In addition, the company will not carry out any related transaction with related companies which do not occur within the normal business operations of the company.

In any case, for related transactions that are short-term loans from the Directors of the company, the company's policy is not to rely any longer on loans from Directors as the company plans to find its own alternative sources of funding.

However, the related transaction that may occur in the future is the rent of the company's office space from Sathorn Sixteen Co., Ltd. under conditions and rates that are appropriate and adhere to general business practices. However, if, in the future, the company changes the conditions, price or any detail of the company's office space rental from Sathorn Sixteen Co., Ltd., the company will comply with the regulations that have been set up and disclose such transactions to the Audit Committee and the Board of Directors for assessment and/or consideration before proceeding with the said transaction.

Investor Protection Measures

In the future, in order to protect investors, if there are related transactions of the company with persons who may have a conflict of interest, are stakeholders or may potentially show a conflict of interest in the future, the company will present such transactions at meetings of the Board with the Audit Committee members attending the meeting (excluding related transactions performed between contract parties under a trade agreement with general terms of trade) in order to ensure that the related transactions are carried out fairly and with reasonable pricing policies). The Board of Directors must perform their duties in strict compliance with the laws of the Securities and Exchange Commission and regulations, notifications, and terms of the Stock Exchange of Thailand as well as in strict compliance with those requirements relating to the disclosure of related transactions and the acquisition or disposition of any significant assets by listed companies.

Certification of the Correctness of Information

The company has reviewed the information in this 56-1 One Report 2021 with guardedness. The company hereby certifies that such information is correct, complete, not false, and does not mislead others or lack of information that should be disclosed in material matters.

- (1) Financial statements and financial information summarized in 56-1 One Report 2021. Has shown accurate and complete information about the financial position. Performance And cash flow of the company and its subsidiaries already.
- (2) The company has set up a good disclosure system. This is to ensure that the company has disclosed all material information of the company and its subsidiaries correctly and completely. Including supervising the implementation of the system.
- (3) The company has set up a good internal control system and supervise the implementation of the said system. The company has informed the internal control system assessment as of December 31, 2021 to the auditor and the audit committee of the company. This covers deficiencies and significant changes to the internal control system. Including any wrong action that may affect the financial reporting of the company and its subsidiaries.



Detail of Directors, Executive Committee, Accounting Controller, Company Secretary and Internal Audit

MR. WOODTIPONG MOLEECHAD

Chairman of the Board

Independent Director

Age 73

Shareholding Percentage as of 30/12/2021 0.00%

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 16 December 2015 (6 years)

Education

Bachelor of Economics Program, Thammasat University

Seminar and Training

Thailand Institute of Directors: IOD

- Anti-Corruption for Executive Program Class 15/2015
- Director Certification Program Update Class 3/2015
- Director Certification Program Class 130/2010

5 Years' Work Experience

Positions in other public companies

2017 - Present	• Vice Chairman of the Board • Chairman of Audit Committee • Independent Director	Triple I Logistic Public Co., Ltd.
2012 - Present	• Consultant	MFC Asset Management Public Co., Ltd.
2009 - Present	• Chairman of the Board • Independent Director • Chairman of Nomination and Corporate Governance Committee • Audit Committee Member • Compensation Committee Member	Symphony Communication Public Co., Ltd.
2012 - 2018	• Chairman of the Board • Independent Director	International Research Corporation Public Co., Ltd

Positions in other companies

2012 - 2015	• Director	Alsolar 1 Co., Ltd.
2009 - 2015	• Member of the Council of Experts	King Mongkut's Institute of Technology Lat Krabang
2008 - 2014	• Director	Department of issuing, Bank of Thailand
2010 - 2013	• Director • Audit Committee • Member of Corporate Affairs	Sukhumvit Asset Management Co., Ltd.

MS. SRIRAT CHUCHOTTAWORN

Independent Director

Chairman of Audit Committee

Nomination and Remuneration Committee

Age 53

Shareholding Percentage as of 30/12/2021 0.00%

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 16 December 2015 (6 years)

Education

- Bachelor of Science, Faculty of IT in Business, Chulalongkorn University
- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang
- Advisory permission from SAP in financial accounting and management accounting. (Certified SAP consultant in FI/CO)

Seminar and Training

Thailand Institute of Directors: IOD

- Director Certification Program (DCP) class 219/2016
- Advanced Audit Committee Program (AACP) class 24/2016

5 Years' Work Experience

Positions in other public companies

2019 - Present	• Independent Director • Chairman of Nomination and Remuneration Committee	T.R.V. Rubber Products Co., Ltd.
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Positions in other companies

2018 - Present	• Director	Cancer Alliance Co., Ltd.
2017 - Present	• Director	Mix Easy (Thailand) Co., Ltd.
2016 - Present	• Director	Info Fabrica (Thailand) Co., Ltd.
2013 - Present	• Director	Baseline Technology Consultants Co., Ltd.
2012 - Present	• Director • Director	ITLS (Thailand) Co., Ltd. I H R Consulting Co., Ltd.
2011 - Present	• Director • Director	I Coach Co., Ltd. Code IT Consulting Co., Ltd.
2010 - Present	• Director	ITS Trade Ship Co., Ltd.
2006 - Present	• Director	ECM Consulting Co., Ltd.
2004 - Present	• Director	I AM Consulting Co., Ltd.

MR. VIPOOTA TRAKULHOON

Independent Director

Audit Committee

Chairman of Nomination and Remuneration Committee

Age 55

Shareholding Percentage as of 30/12/2021 0.00%

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 16 December 2015 (6 years)

Education

- Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Business Administration, Major of Banking and Finance, Chulalongkorn University

Seminar and Training

Thailand Institute of Directors: IOD

- Advanced Audit Committee Program (AACP) Class 42/2021
- Director Accreditation Program (DAP) Class 117/2015

5 Years' Work Experience

Positions in other public companies

2021 - Present	• Independent and Audit Committee	Director SKY ICT Public Co., Ltd. Thai Vegetable Oil Public Co., Ltd.
2017 - Present	• Audit Committee • Independent Director	Triple I Logistic Public Co., Ltd.
2014 - Present	• Executive Committee	Millcon Steel Public Co., Ltd.
2011 - 2013	• Executive Vice President • Head of Corporate Banking Group	Krungthai Bank Public Co., Ltd.

Positions in other companies

2014 - Present	• Director	Creative Power Co., Ltd.
2013	• Chairman of the Board	Krung Thai IJB Leasing Co., Ltd.

MR. THANAWAT LERTWATTANARAK

Independent Director

Audit Committee

Nomination and Remuneration Committee

Age 51

Shareholding Percentage as of 30/12/2021 0.00%

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 16 December 2015 (6 years)

Education

- Master of Industrial Engineering (Manufacturing) University of Tennessee, Knoxville, USA)
- Bachelor of industrial engineering from University of Tennessee, Knoxville, USA)
- Bachelor of Science, Major of Computer Science King Mongkut's Institute of Technology Lat Krabang

Seminar and Training

Thailand Institute of Directors: IOD

- Director Certification Program (DCP) Class 219/2016
- Advanced Audit Committee Program (AACP) class 24/2016

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

2019 - Present	• Director	DeepSparks Co., Ltd.
2017 - Present	• Director • Director	J Venture Co., Ltd. PAC Corporation (Thailand) Co., Ltd.
2016 - Present	• Director	Info Fabrica (Thailand) Co., Ltd.
2013 - Present	• Director • Director • Director • Director	Baseline Technology Consultants Co., Ltd. Any I Corporation Co., Ltd. ITS Trade Ship Co., Ltd. ITLS (Thailand) Co., Ltd. I am consulting Co., Ltd. I H R Consulting Co., Ltd.
2012 - Present	• Director • Director • Director	I Coach Co., Ltd. Code IT Consulting Co., Ltd.
2011 - Present	• Director • Director	ECM Consulting Co., Ltd. Consultant
2006 - Present	• Director	

MR. SOMPONG CHUNEKITYANONE**Director****Executive Chairman****Chairman of Risk Management Sub-Committee****Nomination and Remuneration Committee****Chief Executive Officer****Chief Operating Officer (Acting)***(Authorized Directors)***Age 59**

Shareholding Percentage as of 30/12/2021 32.12%

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 12 May 2000 (21 years)

Education

- Master of Business Administration, National Institute of Development Administration (NIDA)
- Master of Science, Department of Forensic Science, Mahidol University
- Bachelor of Science, Department of Radiological Technology, Mahidol University

Seminar and Training**Thailand Institute of Directors: IOD**

- Capital Market Leader Program, Capital Market Academy Class 26/2018
- Director Certification Program (DCP) Class 204/2015

Other courses

- Top Executive Program in Commerce and Trade, TEPCOT Class 13/2020, University of the Thai Chamber of Commerce
- Advanced Master of Management Program (AMM) Class 2, National Institute of Development Administration (NIDA)
- Thailand's Big Strategic Move Conference 2017 by SET
- Joint discussion on the implementation of the Anti-Corruption Action Plan of the Thai Private Sector 2017
- SET Social Impact Day 2017: Partnership for the Goals "Combine the power for sustainability."

5 Years' Work Experience**Positions in other public companies** None**Positions in other companies**

2018 - Present	• Chairman of the Board	Cancer Alliance Co., Ltd.
2014 - Present	• Director	Sathorn Sixteen Co., Ltd.

MR. VORAVID SILAPUSID**Director****Executive Committee****Risk Management Sub-Committee****Nomination and Remuneration Committee****Chief Financial Officer****Human Resource Manager (Acting)***(Authorized Directors)***Age 56**

Shareholding Percentage as of 30/12/2021 30.25%

Changes in number of Shares during the year 4,250,000 Shares

Relationship between the Executive none

The indirect shareholding of spouse and immature children 0.75%

Appointment Date 12 May 2000 (21 years)

Education

- Master of Development Economics Major of Financial Economics, National Institute of Development Administration (NIDA)
- Master of Engineering, Major of Engineering Industrial and Manufacturing, Asian Institute of Technology
- Bachelor of Engineering, Major of Electronic, King Mongkut's Institute of Technology Lat Krabang

Seminar and Training**Thailand Institute of Directors: IOD**

- Director Certification Program (DCP) Class 205/2016

Other courses

- Summary of key operating statistics and financial statements analysis for presentation to management Year 2021
- The New CFO (Crisis Financial Officer) Year 2020
- 2020 Financial Statement Analysis Strategy for Executives and Accountants
- TFRS 16 Leases and Recognition of Financial Standards in 2019

5 Years' Work Experience**Positions in other public companies** None**Positions in other companies**

2018 - Present	• Director	Cancer Alliance Co., Ltd.
2014 - Present	• Director	Sathorn Sixteen Co., Ltd.



MR. NOPPADOL SUNTANAPHANICH

Director

Executive Committee

Risk Management Sub-Committee

Service and IT Manager

(Authorized Directors)

Age 50

Shareholding Percentage as of 30/12/2021 6.00%

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 3 April 2015 (6 years)

Education

- Master of Business Administration, Major of Management, Ramkhamhaeng University
- Bachelor of Industrial Technology (Faculty of Engineering), Mahanakorn University of Technology

Seminar and Training

Thailand Institute of Directors: IOD

- IT Governance and Cyber Resilience Program (ITG) Class 8/2018
- Directors Accreditation Program (DAP) Class 123/2016

Other courses

- Occupational Safety Officer Course for Executive Year 2021
- ISO13485:2016 Process Validation for Medical Devices Year 2020
- ISO13485:2016 Internal Audit Training Year 2020
- High Value Brand Ambassador Year 2020
- Training course ISO13485:2016 Distribution/Service and Maintenance of Medical Device

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

2014 - Present • Director Sathorn Sixteen Co., Ltd.

MS. SUKANLAYA KHAMNUAN

Executive Committee

Risk Management Sub-Committee

Financial and Accounting Manager

Accounting Controller

Age 37

Shareholding Percentage as of 30/12/2021 none

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 23 December 2015 (6 years)

Education

- Master of Business Administration, Major of Finance and Banking, Ramkhamhaeng University
- Bachelor of Business Administration, Major of Accounting, Ramkhamhaeng University

Seminar and Training

Thailand Institute of Directors: IOD

- Directors Accreditation Program (DAP) Class 136/2017

Other courses

- THE NEW CFO 2021 How to Make Financial Instruments Work Year 2021
- The New CFO The New Technology Year 2021
- Analysis of financial statements & cash flow statement Year 2021
- The New CFO (Crisis Financial Officer) Year 2020
- Financial Management Strategy To revive the organization and create growth in the New Normal era
- The employer is responsible for remittance according to the Education Loan Fund Act B.E. 2560, what to do?
- Guidelines for preparing financial reports of companies affected by the COVID-19 event
- TFRS9 workshop for accounting, protection/Direction, financial reporting standards (PAEs and NPAEs) year 2019
- Training course ISO13485:2016 Distribution/Service and Maintenance of Medical Device
- Scholarship Program "Prepare for the adoption of the Financial Reporting Standard" Year 2017
- Communication on Strengths by ADDIE the Change Consulting Co., Ltd. Year 2017
- Foreign exchange risk management 2017

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

2018 - Present • Director Cancer Alliance Co., Ltd.

MS. SRISUNUN ANUCHORNPAN

Executive Committee

Chief Administrative Officer

Company Secretary

Secretary of Audit Committee

Secretary of Nomination and Remuneration Committee

Secretary of Executive Committee

Secretary of Risk Management Sub-Committee

Age 44

Shareholding Percentage as of 30/12/2021 none

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 1 January 2017

Education

- Master of Business Administration for Executive, Major of Management, Rangsit University
- Bachelor of Business Administration Major Personnel Management Faculty of Humanities and Social Sciences, Burapha University

Seminar and Training

Thailand Institute of Directors: IOD

- How to develop a risk management plan (HRP) Class 24/2019
- Board Reporting Program (BRP) Class 23/2017
- Company Reporting Program (CRP) Class 13/2015
- Company Secretary Program (CSP) Class 46/2012

Other courses

- Occupational Safety Officer Course for Executive Year 2021
- High Value Brand Ambassador
- The Future of HR 2020 & People Transformation
- ISO13485:2016 Internal Audit Training (Qtime Consultant)
- PDPA for Internal Audit Class 4 Association of Political Science, Kasetsart University
- PDPA for HR Class 8 Association of Political Science, Kasetsart University
- IR Fundamental Course 2018 (Thailand Securities Institute: TSI)
- Training course ISO13485:2016 Distribution/Service and Maintenance of Medical Device
- Criminal Liability of Directors and Juristic Persons 2017 (SET)
- How to create a HR plan for a corporate strategy class 7/2017
- Basic Finance for IR 2017 (SET)
- Communication on Strengths by ADDIE the Change Consulting Co., Ltd. 2017
- Corporate Secretary Development Program (Faculty of Commerce and Accountancy, Chulalongkorn University) Class 12/2005

5 Years' Work Experience

Positions in other public companies

1999 - 2016 • Company Secretary Business Online Public
and Admin Manager Co., Ltd.

Positions in other companies None



List of Directors and Controlling Persons in the company and subsidiary

No.	Name of Directors		Business Alignment	Cancer Alliance	Sathorn Sixteen
1	Mr. Woodtipong	Moleechad	▲		
2	Ms. Srirat	Chuchottaworn	●	●	
3	Mr. Vipoota	Trakulhoon	●		
4	Mr. Thanawat	Lertwattanak	●		
5	Mr. Sompong	Chunekitiyanone	● / ★	▲	●
6	Mr. Voravid	Silapusid	● / ★	●	●
7	Mr. Noppadol	Suntanaphanich	● / ★		●
8	Ms. Sukanlaya	Khamnuan	★	●	
9	Ms. Srisunun	Anuchornphan	★		

Remark ▲ Chairman ● Director ★ Executive Committee

Head of Internal Audit

The company hired Honor Auditor and Advisory Company Limited to act as internal auditors of the company. Ms. Piyamas Ruangsangroop, Executive Director is the main responsible person for performing the duties of the company's internal auditors. To audit and assess the sufficiency of the internal control system and report the audit results to the Audit Committee regularly every quarter. The Audit Committee has considered the qualifications of Honor Audit and Advisory Co., Ltd. and Ms. Piyamas Ruangsangroong, and sees that it is appropriate and sufficient for the performance of such duties as it is independent and has experience in performing internal auditing.

In addition, the company has set up a system to supervise the company's business in accordance with the laws, rules, regulations, policies and requirements of relevant government agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand, etc., and establish corporate governance policies. Balance To determine the Board of Directors, Audit Committee or department and employees must comply with the law. Including communicating with employees to realize that every employee has a duty and accountability to study and understand the laws and regulations involved in the job responsible and perform them correctly and completely strictly adhere to the rules.

Name - Surname MS. Piyamas Ruangsaengrob

Present Position

- Head of Internal Audit Team (Outsourcing: Honor Audit and Advisory Co., Ltd.)
- C.P.A. Registration No. 7133

Age 43 years

Shareholding Percentage as of 30/12/2021 none

Changes in number of Shares during the year none

Relationship between the Executive none

The indirect shareholding of spouse and immature children none

Appointment Date 16 April 2015

Education

- Master of Financial Accounting and Assurance, Thammasat University
- Certificate of Audit Factor, Chulalongkorn University
- Bachelor of Business Administration, faculty of Accounting, Rajamangala University of Technology Rattanakosin (RMUTR) Bophit Phimuk Chakkrawat Campus
- Bachelor of Arts, faculty of Mass Communication, Ramkhamhaeng university
- Internal Audit Certificate, Class 7, Federation of Accounting Professions
- Certificate of Tax Law Thammasat University, Customs Tax Course, Excise tax and stamp duty VAT Specific business, tax Corporate, Income Tax, Personal income tax and international taxation
- Certificate of “Capital Market Auditor Development”, Securities and Exchange Commission and the Federation of Accounting Professions
- Certificate of the Federation of “Accounting Professions Audit Office For quality certification under the ISQC1 standard” Class 3
- Certificate of the Association of Investors Club, course “Practices after receiving investment promotion”

Seminar and Training

- Protection against offenses under the law of corruption and money laundering (2019)
- Management and sustainability report preparation and social compensation measures (2019)
- Taxes of land and buildings Planning and preparation before enforcement by 2020 (2019)
- Fraud related to basic information technology (2019)
- Making paper for anti-corruption measures in the organization (2018)
- TFRS 2018
- Risk and supervision of information technology (2017)
- Cyber Security for auditors and accountants in the 4.0 era (2017)
- Digital era business and legal risks (2016)
- Internal control guidelines for companies preparing to be listed on the stock market (2016)
- Data Analytics for Internal Audit (2016)

5 Years' Work Experience

Positions in other public companies None

Positions in other companies

2010 - Present	- Managing Partner (Audit Division)	Honor Audit and Advisory Co., Ltd.
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Audit Committee's Report

The Audit Committee ("The Audit Committee") of Business Alignment Public Company Limited ("The company") comprises of 3 independent Directors as follows:

1. Ms. Srirat Chuchottaworn Independent Director and Chairman of Audit Committee
2. Mr. Vipoota Trakulhoon* Independent Director and Audit Committee Member
3. Mr. Thanawat Lertwattanarak Independent Director and Audit Committee Member

* *Director with experience in accounting, finance, and auditing*

Each of the Directors meets the qualification mandated therein the Audit Committee Charter in accordance with the Good Governance Guideline from the SEC.

In the year 2021, the Audit Committee had quarterly meetings with Internal Auditors and Auditors, together with the management and the accounting team in attendance as appropriate, to audit the financial statements and exchange recommendations to ensure the financial statements are prepared in accordance with the Generally Accepted Accounting Standard with sufficient information disclosure. The Audit Committee does not found any practice conflicting with the regulations and law related to the company. In the year 2021, there were 4 Audit Committee meetings. The Audit Committee informed the Board of Directors of the result of the work conducted by the Audit Committee in every Board of Director meeting. The key areas are as follows:

1. Financial statements audit

The Audit Committee audited the quarterly, annual, and financial statements with the auditors, management, and Internal Audit to present to the Board of Directors. The Audit Committee also meet with the auditors without the management team in attendance at least once a year.

2. Potential conflict of interest

The Audit Committee reviewed connected transactions and the list of potential conflict of interests between the company and its subsidiaries based on the reasonableness principle and considered the benefits of stakeholders, including the sufficient disclosure in accordance to the rules from the SEC.

3. Internal control and risk management

The Audit Committee reviewed the internal control adequacy of the company's and its subsidiaries from the report prepared by Internal Audit Department, and Auditors to assess the sufficiency and effectiveness of the internal control and the management of key risks.

4. Law and regulations

The Audit Committee reviewed the business conducted in compliance with the law and regulations.

5. Good Governance

The Audit Committee audited the company to ensure good governance for transparency and confidence of stakeholders.

6. Internal Audit

The Audit Committee reviewed the objective and scope of the work and approved the Internal Audit plan for the year 2021. The Audit Committee also provided recommendations and acknowledged the result of the audit and recommendations for the year 2021 from both the auditors and Internal Audit. The Audit Committee presented Audit Committee report to the Board of Directors every time after the meeting and provided recommendations to the management team, which the management have implemented as appropriate according to the guideline provided by the Audit Committee and SEC.

7. Appointment of the company's auditor and remuneration

The consideration and appointment of the auditor and the remuneration was conducted based on the qualification and expertise of the auditors in accordance to the amount of work required for the fiscal year 2022. The Audit Committee proposed to the Board of Directors to appoint EY Office Limited who are independent and have acceptable qualifications. They are auditors approved by the SEC. to be the company's Auditor with the following auditors:

Mr. Samran Taengcham	C.P.A. Registration No. 8021	and/or
Ms. Natteera Pongpinitpinyo	C.P.A. Registration No. 7362	and/or
Mr. Piya Chaipruckmalakarn	C.P.A. Registration No. 7544	

The Audit Committee believed that, in the year 2021, the company reported financial statements and operations with sufficient internal control and business conduct in compliance with the law and regulations mandated by the SEC. The internal control and risk management is appropriate and effective. The company provided appropriate and sufficient disclosure of the interconnectivity and conducted of business within reliable means and good governance.



Ms. Srirat Chuchottaworn
Chairman of the Audit Committee
Business Alignment Public Company Limited



NOMINATION AND REMUNERATION COMMITTEE'S REPORT

The Nomination and Remuneration Committee was established according to the resolution of the company's Board of Directors meeting comprising 5 persons as follow;

- | | | | |
|----|--------------|-----------------|---|
| 1. | Mr. Vipoota | Trakulhoon | Independent Director, Chairman of Nomination and Remuneration Committee |
| 2. | Ms. Srirat | Chuchottaworn | Independent Director, Nomination and Remuneration Committee |
| 3. | Mr. Thanawat | Lertwattanarak | Independent Director, Nomination and Remuneration Committee |
| 4. | Mr. Sompong | Chunekitiyanone | Director, Nomination and Remuneration Committee |
| 5. | Mr. Voravid | Silapusid | Director, Nomination and Remuneration Committee |

The proportion of Independent Directors is 60% of the Nomination and Remuneration Committee. There will be one meeting of the Nomination and Remuneration Committee in the year 2021.

Nomination and Remuneration Committee set the policy, criteria and method of recruiting and considering remuneration clearly. To comply with relevant regulatory and regulatory requirements, such as the Public Limited Company Act, the Securities and Exchange Act BE.2535, the Articles of Association of the Company and good corporate governance principles. The recruiting and selecting qualified candidates will be consider;

- Must not be prohibited by law and the criteria are strictly defined.
- No overlapping interests or conflict of interest with the company.
- Consider the appropriateness of knowledge, experience, and expertise that are beneficial to companies with experience in the core business or industry in which they operate. The Board of Directors has set up the Board Skill Matrix, which makes the selection of directors consistent with the business direction of the company in business, strategy, law, finance, accounting, international business, information technology. To combine the knowledge and ability to benefit the operation of the company.
- Have integrity, ethics, honesty
- Can allocate time to perform duties properly.

The remuneration of the Board of Directors will consider the responsibilities of the Board of Directors and the performance of the Directors in accordance with their duties and responsibilities, the intention of the Director, type and size of business and considering the criteria in the same industry is used. The remuneration must be at an appropriate level and sufficient to attract and retain qualified directors.

The Nomination and Remuneration Committee has performed its duties with careful judicious and independence as per good corporate governance principles which considering the maximum benefit and important of the company, shareholders and all stakeholders.



(Mr. Vipoota Trakulhoon)
Chairman of Nomination and Remuneration Committee
Business Alignment Public Company Limited

The Board of Directors' Duties on Financial Disclosure

The Board of Directors of Business Alignment Public Company Limited understands the responsibility of ensuring integrity, sufficient, relevant and transparent disclosure of the company's fiscal year 2021 financial statements. Such disclosure abides by the generally accepted accounting principles, ensuring the integrity of the company's operations/ appropriate accounting policies have been put in place and adhered to on a consistent basis while due consideration has been placed on the process of preparing the company fiscal year 2021 financial statements including other information that has been included in F56-1 One Report 2021.

To enhance stakeholder trust, the Board of Directors appointed an Audit Committee comprising of Independent Directors with qualifications as stipulated by the guidelines of Stock Exchange of Thailand. Ensuring that the company provides sufficient, transparent, correct and appropriate financial disclosure along with information regarding related party transactions is a key function of the committee. Ensuring appropriate, sufficient and effective risk management guidelines, appropriate internal control procedures along with robust internal audit processes are also the functions of the committee. Legal compliance is at the forefront of the Board's concerns therefore the committee is also charged with ensuring that the company's operations adheres to all relevant external and internal legal, guidelines and policies.

The Board of Directors believes that the company fiscal year 2021 financial statements ending December 31, 2021, which has been reviewed by the Audit Committee, management and the company's financial auditor to be correct, complete, appropriate, in compliance with generally accepted accounting practices and employs appropriate accounting policies on a consistent basis. The financial disclosure is deemed to be transparent, provides an appropriate level of disclosure and is in compliance with all the relevant legal, guidelines and policies.



Mr. Sompong Chunekeityanone
Director & Executive Chairman



Mr. Voravid Silapusid
Director



The background features a warm, golden-yellow color palette. In the upper half, there are several golden spheres of varying sizes connected by thin, light-colored lines, creating a network-like structure. The lower half of the image shows a close-up, slightly blurred view of multiple stacks of gold coins. The text 'Financial Statements' is centered in the middle of the image in a bold, white, sans-serif font.

Financial Statements

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and Board of Directors of Business Alignment Public Company Limited

Opinion

I have audited the consolidated financial statements of Business Alignment Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. I have also audited the separate financial statements of Business Alignment Public Company Limited (the Company), which comprise the separate statement of financial position as at December 31, 2021, and the separate statement of comprehensive income, separate statement of changes in shareholders' equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Business Alignment Public Company Limited and its subsidiary as at December 31, 2021, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with Thai Financial Reporting Standards. Also, the accompanying separate financial statements present fairly, in all material respects, the separate financial position of Business Alignment Public Company Limited as at December 31, 2021, and its separate financial performance and its separate 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 Consolidated Financial Statements and the Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated financial statements and the separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements and the separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements and the separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Revenue from rendering of services and its related costs

I specially focused on recognition of revenue from rendering of service and its related costs to check that revenue and its related costs were recorded in the correct period. Revenue from rendering of service and its related costs for the year ended December 31, 2021 amounted to Baht 247 million and Baht 196 million, respectively in the consolidated financial statements and the separate financial statements. Significant accounting policies and other information that related to the matters were disclosed in notes to the financial statements No. 3 and No. 21.

The Company provides repair and maintenance services for medical equipment. The ranges of service over the period of time agreements are not parallel with the accounting period. The related costs are, mainly, costs paid to sub-contractors. The ranges of service agreements with sub-contractors are, also, not parallel with the accounting period.

To ensure that the revenue from rendering of service and its related costs are recorded in the correct period, the Company maintains monthly details of the revenue from rendering of service and its related costs, and consistently reviews the correctness of recognition of the revenue from rendering of service and its related costs.

I reviewed the details of the revenue from rendering of service and its related costs prepared by the Company. I also tested the recognition of the revenue from rendering of service and its related costs by reference to the agreements, and test the accuracy of computation in the details to ensure that the revenue from rendering of service and its related costs were recorded in the correct period.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and the separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated financial statements and the separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements and the separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements and the separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the information included in the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to audit committee for further correction.

Responsibilities of Management and Audit Committee for the Consolidated Financial Statements and the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements and the separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements and the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the separate 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.

Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and the separate 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 consolidated financial statements and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the separate 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 consolidated financial statements and the separate 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 consolidated financial statements and the separate financial statements, including the disclosures, and whether the consolidated financial statements and the separate 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 audit committee 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 audit committee 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 audit committee, I determine those matters that were of most significance in the audit of the consolidated financial statements and the separate financial statements of the current period and are therefore the key audit matters. I describe these matters 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.

(Ms. Kornthip Wanichwisedkul)
Certified Public Accountant
Registration No. 6947

M.R. & ASSOCIATES CO., LTD.
Bangkok
February 23, 2022

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

ASSETS

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Note	2021	2020	2021	2020
CURRENT ASSETS					
Cash and cash equivalents		323,366,101	206,560,355	302,268,939	203,113,555
Trade and other receivables	5	664,438,737	187,511,220	649,156,712	182,712,793
Construction contracts	26	-	7,192,219	-	7,192,219
Inventories	6	311,692,296	1,117,487,568	310,549,232	1,116,421,225
Other current financial assets	7, 12	96,273,769	95,439,632	96,273,769	95,439,632
Total current assets		1,395,770,903	1,614,190,994	1,358,248,652	1,604,879,424
NON-CURRENT ASSETS					
Other non-current financial assets	7, 12	21,813,365	11,993,000	21,813,365	11,993,000
Investment in subsidiary	8	-	-	143,000,000	130,000,000
Property, plant and equipment	9, 12	370,090,595	387,840,464	25,996,461	27,508,611
Right-of-use assets	10	5,013,261	6,702,187	4,151,097	5,534,796
Intangible assets		1,155,930	535,302	1,007,718	374,676
Deferred tax assets	11	12,931,825	10,415,607	10,848,096	8,084,988
Other non-current assets		1,035,441	974,400	444,500	490,400
Total non-current assets		412,040,417	418,460,960	207,261,237	183,986,471
TOTAL ASSETS		1,807,811,320	2,032,651,954	1,565,509,889	1,788,865,895

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

	Note	In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
CURRENT LIABILITIES					
Short-term borrowings from					
financial institutions	12	115,186,817	249,467,142	115,186,817	249,467,142
Current trade and other payables	13	439,774,651	917,556,668	430,934,907	912,502,339
Current portion of long-term					
borrowings	12	13,064,742	9,488,044	-	-
Current portion of lease liabilities	14	1,684,301	1,567,719	1,351,048	1,250,699
Income tax payable		45,173,321	6,582,953	45,173,321	6,582,953
Other current provisions	13, 15	9,833,235	2,176,789	9,833,235	2,176,789
Other current financial liabilities	7	-	10,467,723	-	10,467,723
Total current liabilities		624,717,067	1,197,307,038	602,479,328	1,182,447,645
NON-CURRENT LIABILITIES					
Non-current trade and					
other payables	13	87,047,468	-	87,047,468	-
Long-term borrowings	12	234,068,264	245,028,535	-	-
Lease liabilities	14	3,637,120	5,322,711	3,059,098	4,436,366
Deferred tax liabilities	11	61,652	-	61,652	-
Provisions for employee benefits	16	9,539,821	9,387,669	8,223,624	8,204,282
Other non-current provisions	15	7,600,000	1,100,000	7,600,000	1,100,000
Total non-current liabilities		341,954,325	260,838,915	105,991,842	13,740,648
Total liabilities		966,671,392	1,458,145,953	708,471,170	1,196,188,293

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Note	2021	2020	2021	2020
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital	17	220,000,000	200,000,000	220,000,000	200,000,000
Issued and paid-up share capital	17	200,000,000	200,000,000	200,000,000	200,000,000
Share premium on ordinary shares	18	222,332,048	222,332,048	222,332,048	222,332,048
Retained earnings					
Legal reserve	19	22,000,000	20,000,000	22,000,000	20,000,000
Unappropriated		349,156,481	89,825,404	412,706,671	150,345,554
Equity attributable to owners					
of the parent		793,488,529	532,157,452	857,038,719	592,677,602
Non-controlling interests	20	47,651,399	42,348,549	-	-
Total shareholders' equity		841,139,928	574,506,001	857,038,719	592,677,602
TOTAL LIABILITIES AND					
SHAREHOLDERS' EQUITY		1,807,811,320	2,032,651,954	1,565,509,889	1,788,865,895

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Note	2021	2020	2021	2020
REVENUES					
Revenue from sales of goods	21	2,593,116,842	527,040,486	2,593,116,842	527,040,486
Revenue from rendering of services	21	247,460,977	196,495,849	247,460,977	196,495,849
Revenue from construction	21	5,231,493	819,144	5,231,493	819,144
Revenue from hospital operations	21	74,954,267	30,979,223	-	-
Gain on exchange rate		6,998,894	-	6,998,894	-
Other income		6,382,602	9,794,600	6,093,489	11,974,908
Total revenues		2,934,145,075	765,129,302	2,858,901,695	736,330,387
EXPENSES					
	22				
Costs of sales of goods	6	2,039,011,080	416,064,949	2,039,011,080	416,064,949
Costs of rendering of services		196,135,879	157,204,783	196,135,879	157,204,783
Costs of construction		4,823,667	769,233	4,823,667	769,233
Costs of hospital operations		58,846,795	47,854,776	-	-
Distribution costs		24,745,375	14,071,353	24,228,545	13,609,451
Administrative expenses		60,073,613	42,653,084	49,236,313	30,015,268
Loss on exchange rate		-	16,477,067	-	16,477,067
Total expenses		2,383,636,409	695,095,245	2,313,435,484	634,140,751
Profit from operating activities		550,508,666	70,034,057	545,466,211	102,189,636
Finance costs		24,210,421	22,453,465	14,099,921	12,517,724
Profit before income tax		526,298,245	47,580,592	531,366,290	89,671,912
Tax expense	11	107,828,257	18,029,051	107,698,916	17,918,609
Profit for the year		418,469,988	29,551,541	423,667,374	71,753,303

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Note	2021	2020	2021	2020
Other comprehensive income	23				
Items that will not be reclassified subsequently to profit or loss					
- Actuarial gain on remeasurements of defined benefit plan		1,163,939	575,090	693,743	350,712
Total comprehensive income for the year		<u>419,633,927</u>	<u>30,126,631</u>	<u>424,361,117</u>	<u>72,104,015</u>
Profit (loss) attributable to:					
Equity holders of the parent		420,331,707	44,402,657	423,667,374	71,753,303
Non-controlling interests	20	(1,861,719)	(14,851,116)	-	-
		<u>418,469,988</u>	<u>29,551,541</u>	<u>423,667,374</u>	<u>71,753,303</u>
Total comprehensive income (loss) attributable to:					
Equity holders of the parent		421,331,077	44,899,214	424,361,117	72,104,015
Non-controlling interests	20	(1,697,150)	(14,772,583)	-	-
		<u>419,633,927</u>	<u>30,126,631</u>	<u>424,361,117</u>	<u>72,104,015</u>
Basic earnings per share	24	<u>1.051</u>	<u>0.111</u>	<u>1.059</u>	<u>0.179</u>
Diluted earnings per share	24	<u>1.046</u>	<u>0.111</u>	<u>1.054</u>	<u>0.179</u>

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Consolidated financial statements (In Baht)			Total shareholders' equity
				Legal reserve	Retained earnings Unappropriated	Equity attributable to owners of the parent	
Balance at January 1, 2021		200,000,000	222,332,048	20,000,000	89,825,404	532,157,452	574,506,001
Comprehensive income							
for the year							
Profit (loss) for the year		-	-	-	420,331,707	420,331,707	418,469,988
Other comprehensive income							
for the year		-	-	-	999,370	999,370	1,163,939
Total comprehensive income							
(loss) for the year		-	-	-	421,331,077	421,331,077	419,633,927
Investments for capital increase							
in subsidiary from							
non-controlling interests		-	-	-	-	-	7,000,000
Appropriation for legal reserve	19	-	-	2,000,000	(2,000,000)	-	-
Dividends	25	-	-	-	(160,000,000)	(160,000,000)	(160,000,000)
Balance at December 31, 2021		200,000,000	222,332,048	22,000,000	349,156,481	793,488,529	841,139,928

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

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Consolidated financial statements (In Baht)					
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
			Legal reserve	Unappropriated		
Balance at January 1, 2020	200,000,000	222,332,048	20,000,000	144,926,190	587,258,238	644,379,370
Comprehensive income						
for the year						
Profit (loss) for the year	-	-	-	44,402,657	44,402,657	29,551,541
Other comprehensive income						
for the year	-	-	-	496,557	496,557	575,090
Total comprehensive income						
(loss) for the year	-	-	-	44,899,214	44,899,214	30,126,631
Dividends	-	-	-	(100,000,000)	(100,000,000)	(100,000,000)
Balance at December 31, 2020	200,000,000	222,332,048	20,000,000	89,825,404	532,157,452	574,506,001

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Note	Separate financial statements (In Baht)				Total shareholders' equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings	Unappropriated	
				Legal reserve		
Balance at January 1, 2021		200,000,000	222,332,048	20,000,000	150,345,554	592,677,602
Comprehensive income for the year						
Profit for the year		-	-	-	423,667,374	423,667,374
Other comprehensive income for the year		-	-	-	693,743	693,743
Total comprehensive income for the year		-	-	-	424,361,117	424,361,117
Appropriation for legal reserve	19	-	-	2,000,000	(2,000,000)	-
Dividends	25	-	-	-	(160,000,000)	(160,000,000)
Balance at December 31, 2021		200,000,000	222,332,048	22,000,000	412,706,671	857,038,719

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	Separate financial statements (In Baht)					Total shareholders' equity
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Unappropriated	
			Legal reserve			
Balance at January 1, 2020	200,000,000	222,332,048	20,000,000	178,241,539	620,573,587	
Comprehensive income for the year						
Profit for the year	-	-	-	71,753,303	71,753,303	
Other comprehensive income for the year	-	-	-	350,712	350,712	
Total comprehensive income for the year	-	-	-	72,104,015	72,104,015	
Dividends	25	-	-	(100,000,000)	(100,000,000)	
Balance at December 31, 2020	200,000,000	222,332,048	20,000,000	150,345,554	592,677,602	

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit for the year	418,469,988	29,551,541	423,667,374	71,753,303
Adjustment for				
Tax expense	107,828,257	18,029,051	107,698,916	17,918,609
Written-off other receivable	-	-	3,955,603	-
Depreciation and amortization	20,348,729	20,512,758	3,764,870	4,074,510
Allowance for declining in value of inventories	1,320,554	-	1,320,554	-
Provisions	17,568,210	3,240,310	16,847,655	2,515,413
Unrealized loss (gain) on exchange rate	(1,862,428)	6,568,866	(1,862,428)	6,568,866
Interest income	(915,437)	(1,721,685)	(888,650)	(1,677,049)
Interest expense	24,210,421	22,453,465	14,099,921	12,517,724
Loss (gain) on disposals of equipment	(215,653)	11,301	(215,653)	11,301
Decrease (increase) in operating assets				
Trade and other receivables	(476,800,398)	15,123,888	(470,539,329)	19,760,267
Construction contracts	7,192,219	15,586,464	7,192,219	15,586,464
Inventories	804,474,718	(344,629,501)	804,551,439	(344,155,642)
Other non-current assets	45,900	(84,000)	45,900	-
Increase (decrease) in operating liabilities				
Trade and other payables, and				
other current financial liabilities	(412,660,816)	436,678,916	(416,442,214)	436,054,748
Provisions paid	(1,590,288)	(1,032,846)	(1,590,288)	(1,032,846)
Employee benefit paid	(214,400)	-	(214,400)	-
Income tax paid	(72,357,307)	(26,964,096)	(71,983,440)	(26,862,058)
Net cash flows provided by operating activities	434,842,269	193,324,432	419,408,049	213,033,610

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

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Interest received	1,063,654	2,291,651	1,036,867	2,247,015
Decrease (increase) in savings account and time deposits	(7,995,791)	16,986,137	(7,995,791)	16,986,137
Investment in subsidiary	-	-	(13,000,000)	-
Additions to property, plant and equipment, and intangible assets	(1,409,008)	(2,794,046)	(1,380,509)	(573,131)
Proceeds from disposals of equipment	224,299	-	224,299	-
Net cash flows provided by (used in) investing activities	(8,116,846)	16,483,742	(21,115,134)	18,660,021
Cash flows from financing activities				
Interest paid	(13,558,498)	(11,177,045)	(3,452,015)	(1,241,116)
Decrease in short-term borrowings from financial institutions	(134,280,325)	(7,108,289)	(134,280,325)	(7,108,289)
Proceeds from long-term borrowings	-	14,232,915	-	-
Repayments of long-term borrowings	(7,383,573)	-	-	-
Payments of lease liabilities	(1,569,009)	(1,531,878)	(1,276,919)	(1,231,430)
Investments for capital increase in subsidiary from non-controlling interests	7,000,000	-	-	-
Dividends paid	(159,979,574)	(99,954,392)	(159,979,574)	(99,954,392)
Net cash flows used in financing activities	(309,770,979)	(105,538,689)	(298,988,833)	(109,535,227)
Effect from foreign exchange in cash and cash equivalents	(148,698)	(116,387)	(148,698)	(116,387)

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

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Net increase in cash and cash equivalents	116,805,746	104,153,098	99,155,384	122,042,017
Cash and cash equivalents at beginning of the year	206,560,355	102,407,257	203,113,555	81,071,538
Cash and cash equivalents at end of the year	<u>323,366,101</u>	<u>206,560,355</u>	<u>302,268,939</u>	<u>203,113,555</u>
<u>Cash and cash equivalents at end of the year</u>				
Cash on hand	313,840	166,905	29,686	37,463
Cash at banks - current accounts	46,504,251	14,542,753	46,291,216	14,519,249
Cash at banks - savings accounts	240,940,259	191,089,791	220,340,286	187,795,937
Time deposits - less than 3 months				
from acquisition date	35,607,751	760,906	35,607,751	760,906
Total	<u>323,366,101</u>	<u>206,560,355</u>	<u>302,268,939</u>	<u>203,113,555</u>

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



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements
December 31, 2021 and 2020

1. GENERAL

Business Alignment Public Company Limited (“the Company”) is incorporated in Thailand and has its registered office at 92/45 Sathorn Thani Building 2, 16th Floor, North Sathorn Road, Silom Sub-District, Bangrak District, Bangkok.

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.

Cancer Alliance Company Limited (65% owned subsidiary) is incorporated in Thailand and has its registered office at 529 Moo 3, Nongkham Sub-District, Sriracha District, Chonburi.

The principal activities of the subsidiary are hospital operations (specialized in cancer treatment).

2. BASIS FOR FINANCIAL STATEMENT PREPARATION

The accompanying financial statements are prepared in Thai Baht and in the Thai language in accordance with the financial reporting standards in Thailand including interpretations and guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Securities and Exchange Commission. Accordingly, the accompanying financial statements are intended solely to present the financial position, results of operations and cash flows in accordance with the financial reporting standards in Thailand.

Except as disclosed in the accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

The Group disclosed information for the year ended December 31, 2020 for being the comparative information in the financial statements for the year ended December 31, 2021 in the form of corresponding figures.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

Thai Financial Reporting Standards (TFRS) that became effective

Starting January 1, 2021, the Group has adopted the revised TFRS, which are effective for accounting period starting on or after January 1, 2021. The adoption of the revised TFRS does not have material impact on the Group’s financial statements.

Thai Financial Reporting Standards (TFRS) that are not yet effective

The Federation of Accounting Professions has revised TFRS, which are effective for accounting period starting on or after January 1, 2022. Management of the Group believed that the revised TFRS will have no material impact on the Group’s financial statements.



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

3. SIGNIFICANT ACCOUNTING POLICIES

The significant principle accounting policies adopted in the preparation of these financial statements are as follows:

Basis of consolidation

The consolidated financial statements relate to the financial statements of the Company and its subsidiary (together referred to as the “Group”).

Significant intra-group transactions between the Company and its subsidiary are eliminated on consolidation.

Subsidiary

Subsidiary is the company controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Changes in a parent's ownership interest in subsidiary that does not result in the loss of control are accounted for within equity. When an entity loses control of subsidiary, any gain or loss is recognized in the profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost.

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Derivative financial instruments

Derivative financial instruments are used to manage fair value risk exposed by change in foreign exchange rates arising from operating activities. Derivatives are not intended to use for trading purpose. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivatives are recognized initially at fair value and then are re-measured at fair value. Gain or loss on re-measurement to fair value is recognized as profit or loss.

The fair value of derivatives is the quoted market price at the statement of financial position date, which is the Level 2 inputs of the fair value hierarchy whereby such price is the present value of the quoted derivative price where market approach was used as valuation technique and core information used in evaluation was the adjusted exchange rates in market to fit for the issued instrument which was computed by bank who was the counterparty.



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Cash and cash equivalents

Cash and cash equivalents, carried in the statement of financial position at cost, include cash on hand and cash at financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturity of three months or less from the date of acquisition and without restriction of use and that are subject to an insignificant risk of change in value.

Trade receivables

Unconditional rights to consideration for sales of goods and rendering of services are recognized as trade receivables.

Trade receivables are stated transaction price less allowance for impairment losses (if any).

Allowance for impairment losses are estimated based on historical payments of customers and expectations of future payments of customers.

Inventories

Inventories are stated at the lower of cost and net realizable value. Costs of inventories are determined as follows:

Medical equipment and work in progress	- Specific identification
Medicine, medical supplies and other supplies	- First-in, First-out
Spare parts and supplies	- First-in, First-out

Cost comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less necessary selling expenses.

Investment in subsidiary

Investment in subsidiary in the separate financial statements is stated at cost net of allowance for impairment losses (if any). Dividend income is recognized upon dividend declaration.



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Property, plant and equipment

Land is stated at cost net of allowance for impairment losses (if any). Property and equipment are stated at cost less accumulated depreciation and allowance for impairment losses (if any). Costs of asset dismantlement, removal, and restoration are included as part of asset cost and subject to depreciation.

Depreciation

Depreciation is charged to profit or loss on a straight-line method over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation is calculated based on cost of the property, plant and equipment less residual value. Useful lives and residual values are reviewed at each year-end. The estimated useful lives are as follows:

	<u>Period (years)</u>
Building and structures	5, 10, 15, 40
Condominium unit and office improvement	5, 10, 20
Medical equipment	5, 10, 15, 20
Tools, furniture, and office equipment	3, 5, 10
Vehicles	5

No depreciation is provided on land or assets under construction.

Intangible assets

Intangible assets are computer software, and stated at cost less accumulated amortization and allowance for impairment losses (if any).

Amortization

Amortization is charged to profit or loss on a straight-line method over the estimated period of 10 years during which economic benefits are expected to flow to the Group.

Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts (the higher of an asset's net selling price or value in use) are estimated. The review is made for individual assets or for the cash-generating unit.

In case that the carrying value of an asset exceeds its recoverable amount, the Group recognizes the impairment losses by reducing the carrying value of the asset to be at its recoverable amount and recording the devaluation in profit or loss. The reversal of impairment losses is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or are decreased. The reversal of the impairment losses shall not exceed the carrying amount of the asset, net of depreciation or amortization, that would have been determined had no impairment losses been recognized for the asset in prior years.

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Employee benefits

Short-term benefits

Salaries, wages, bonuses and contributions to social security fund are recognized as an expense upon their occurrences and on an accrual basis.

Post-employment benefits

Obligations on defined contribution plan which is the provident fund is recognized as an expense in profit or loss when contribution to the fund on an accrual basis.

The Group's obligation in respect of post-employment benefits, which are compensations under labor protection acts, is recognized as liability and expense in the financial statements based on the amount calculated, using the projected unit credit method by a qualified actuary. Expenses from the estimated liability for post-employment benefits are recognized in profit or loss and comprise of current service cost and interest cost. Actuarial gain or loss on remeasurements of defined benefit plan is recognized in other comprehensive income. This employee benefit plan is unfunded and has no any incurred plan asset.

Provisions

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Revenues

Revenue from sales (mainly sales of medical equipment) is recognized at point in time when the medical equipment are installed.

Revenue from rendering of services derived mainly from rendering services on repair and maintenance, and increase efficiency of medical equipment. The revenue is recognized over time of the services provided to the customers on a straight-line basis.

Revenue from construction contract is recognized over time by reference to the stage of completion of the contract activity at the reporting date. The stage of completion is assessed as the ratio of contract costs incurred at the reporting date to total expected contract costs.

Revenue from hospital operations is recognized when services have been rendered or medicine have been delivered to the customers.

Finance costs

Interest expense and similar costs are charged to the profit or loss in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or installation of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest expense and similar costs calculate by using the effective interest rate method.



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Income tax

Tax expense for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted by the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Leases - lessee

Right-of-use assets and lease liabilities are recognized at the commencement date of the lease (except for leases of low-value assets and short-term assets which are recognized as expense on a straight-line method over the lease term).

Right-of-use assets are measured at cost less accumulated depreciation and allowance for impairment losses (if any).

Depreciation is charged to profit or loss on a straight-line method over the period of the leases or the estimated useful lives of the assets, whichever is shorter. If the Group expects to obtain ownership of the leased assets at the end of the lease term, depreciation is calculated over their estimated useful lives. Right-of-use assets are depreciated over the following periods:

	<u>Period (years)</u>
Condominium unit	5
Medical equipment	5

Use of estimates

In order to prepare financial statements in conformity with financial reporting standards in Thailand, management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Significant estimates and underlying assumptions used in preparation of the accompanying financial statements which may be affected by uncertainty are as follows:

- Estimated useful lives of property and equipment
- Provisions

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Principal market is the market with the greatest volume and level of activity for the asset or liability. Market participants comprise buyers and sellers in the principal or most advantageous market for the asset or liability whereby market participants are independent of each other, knowledgeable and having a reasonable understanding, able to enter into a transaction for the asset or liability, and willing to enter into a transaction for the asset or liability.

To increase the consistency and comparability in fair value measurements and related disclosures in the financial statements, the fair value hierarchy is categorized into 3 levels with respect of the inputs to valuation techniques used to measure the fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (“Level 1 inputs”), secondary priority to other observable inputs (“Level 2 inputs”), and the lowest priority to unobservable inputs (“Level 3 inputs”).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Classification and measurement

Assets classified and measured at amortized cost

- Cash and cash equivalents
- Trade and other receivables (excluding prepaid expenses and advances for purchase of medical equipment)
- Other current financial assets - savings account and time deposits
- Other non-current financial assets - savings account and time deposits

Assets classified and measured at fair value through profit or loss

- Other current financial assets - derivatives

Liabilities classified and measured at amortized cost

- Short-term borrowings from financial institutions
- Trade and other payables (excluding advances from customers and unearned revenue)
- Long-term borrowings
- Lease liabilities

Liabilities classified and measured at fair value through profit or loss

- Other current financial liabilities - derivatives



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

4. TRANSACTIONS WITH RELATED PARTIES

Related parties are parties controlled by the Group or have power control over the Group, directly or indirectly, or has significant influence over the financial or operating policies of the Group.

Name of entities	Nature of relationships
Cancer Alliance Company Limited	Subsidiary
Sathorn Sixteen Co., Ltd.	Common shareholders and directors
Sriracha Estate Co., Ltd.	Common shareholder and director of subsidiary
Poomprom Co., Ltd.	Common shareholder and director of subsidiary
Catering and Health Co., Ltd.	Common shareholder and director of subsidiary
EIE Informatics Co., Ltd.	Company of a son of key management personnel
Poompis Pattaranutaporn	Son of key management personnel
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies are as follows:

Type of transactions	Pricing policies
Fees for guaranteeing of credit facilities from bank	<u>Fees computed on guaranteed credit facilities of Baht 329 million up to August 6, 2020 and of Baht 277 million from August 7, 2020</u> - At 0.75% per annum for the year ending December 31, 2020 - At 0.02% per annum for the year ending December 31, 2021
Rental expense	Market price
Costs of foods	Market price
Laundry costs	Agreement price
Doctor fee	Market price
Software maintenance fee	Agreement price

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Significant outstanding balances with its related parties as at December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary				
Other receivable	-	-	28	3,956
Other related parties				
Other receivables	75	111	-	-
Other non-current assets	409	409	409	409
Trade and other payables	442	473	88	96
Lease liabilities (presented under current liabilities and non-current liabilities)	4,410	5,687	4,410	5,687

Significant transactions with related parties for the years ended December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Subsidiary				
Income from guaranteeing of credit facilities	-	-	55	2,311
Written-off other receivable	-	-	3,956	-
Other related parties				
Recognition of lease liabilities	-	6,918	-	6,918
Payment of lease liabilities	1,277	1,231	1,277	1,231
Interest expense on lease liabilities	350	437	350	437
Rental expense	391	763	-	-
Costs of foods	370	228	-	-
Costs of laundry	437	376	-	-
Doctor fee	575	235	-	-
Software maintenance fee	666	207	-	-

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Key management compensation				
Short-term benefits	23,299	16,643	20,085	13,046
Post-employment benefits	1,347	1,270	1,131	1,119
Total	24,646	17,913	21,216	14,165

The Company entered into an agreement to lease office space from Sathorn Sixteen Co., Ltd. for 5 years expiring on December 31, 2024 at total rental of Baht 8.2 million.

The rental of Baht 8.2 million was discounted to present value of Baht 6.9 million. The Baht 6.9 million was recognized as “Right-of-use assets” and “Lease liabilities” at January 1, 2020.

5. TRADE AND OTHER RECEIVABLES

	Note	In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
Trade receivables					
Current		517,115	50,727	208,804	45,284
Overdue					
Not over 3 months		9,662	1,670	8,504	68
Over 3 - 6 months		4,302	402	3,214	-
Over 6 - 12 months		952	-	-	-
		532,031	52,799	520,522	45,352
Unbilled trade receivables	26	43,124	78,562	40,407	77,887
		575,155	131,361	560,929	123,239
Prepaid expenses		49,295	21,977	48,907	21,701
Advances for purchase of medical equipment		19,415	16,475	19,415	16,475
Revenue Department receivable		18,065	15,485	18,065	15,485
Others		2,509	2,213	1,841	5,813
		89,284	56,150	88,228	59,474
Total		664,439	187,511	649,157	182,713

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

6. INVENTORIES

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Medical equipment and work in progress	197,771	1,111,482	197,771	1,111,482
Spare parts and supplies	11,007	1,057	11,007	1,057
Medicine, medical supplies and other supplies	1,143	1,067	-	-
Goods in transit	103,092	3,882	103,092	3,882
Less allowance for declining in value of inventories	(1,321)	-	(1,321)	-
Total	311,692	1,117,488	310,549	1,116,421
Inventories recognized as costs of sales	2,039,011	416,065	2,039,011	416,065
Write-down of inventories recognized as administrative expenses	1,321	-	1,321	-
Inventories recognized as costs of hospital operations	4,801	1,507	-	-

Borrowing costs capitalized to medical equipment and work in progress during the year 2020 amounted to Baht 1.2 million.

7. OTHER FINANCIAL ASSETS AND OTHER FINANCIAL LIABILITIES

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Other current financial assets				
Savings account and time deposits (interest rate at 0.05% - 0.5% p.a. at December 31, 2021 and 0.05% - 1.1% p.a. at December 31, 2020)	93,615	95,440	93,615	95,440
Derivatives - fair value (Level 2 inputs)	2,659	-	2,659	-
Total	96,274	95,440	96,274	95,440
Other non-current financial assets				
Savings account and time deposits (interest rate at 0.05% - 0.5% p.a. at December 31, 2021 and 0.15% - 1.1% p.a. at December 31, 2020)	21,813	11,993	21,813	11,993

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Other current financial liabilities				
Derivatives - fair value (Level 2 inputs)	-	10,468	-	10,468

At December 31, 2021 and 2020, the Company had outstanding forward contracts to purchase as follows:

	In Thousand	
	US\$	Baht
At December 31, 2021	6,660	219,960
At December 31, 2020	16,467	505,059

At December 31, 2021 and 2020, fair value of the forward contracts (derivatives) was shown under “Other current financial assets” and “Other current financial liabilities”.

8. INVESTMENT IN SUBSIDIARY

At December 31, 2021 and 2020, detail of investment in subsidiary in the separate financial statements was as follow:

Name of the entity	Ownership interest (%)	In Thousand Baht		
		Paid-up capital	Investment (cost method)	Dividend
Cancer Alliance Company Limited	65			
At December 31, 2021				
Fully paid		200,000	130,000	-
40% paid up of authorized share capital increase		20,000	13,000	-
Total		220,000	143,000	-
At December 31, 2020				
Fully paid		200,000	130,000	-

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

9. PROPERTY, PLANT AND EQUIPMENT

	Consolidated financial statements (In Thousand Baht)					
	Land	Building and structures, and condominium unit and office improvement	Medical equipment	Tools, furniture and office equipment	Vehicles	Total
Cost						
At January 1, 2021	60,480	232,429	107,822	15,286	3,591	419,608
Additions	-	-	29	820	-	849
Disposals	-	-	-	(83)	(925)	(1,008)
At December 31, 2021	60,480	232,429	107,851	16,023	2,666	419,449
At January 1, 2020	60,480	232,282	109,297	14,889	1,641	418,589
Transfers to "Right-of-use assets"	-	-	(1,526)	-	-	(1,526)
Additions	-	147	51	477	1,950	2,625
Disposals	-	-	-	(80)	-	(80)
At December 31, 2020	60,480	232,429	107,822	15,286	3,591	419,608



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

Notes to Financial Statements (Continued)

December 31, 2021 and 2020

	Consolidated financial statements (In Thousand Baht)					
	Land	Building and structures, and condominium unit and office improvement	Medical equipment	Tools, furniture and office equipment	Vehicles	Total
Accumulated depreciation						
At January 1, 2021	-	13,406	9,878	7,106	1,378	31,768
Depreciation charge for the year	-	7,713	7,761	2,580	535	18,589
Disposals	-	-	-	(79)	(920)	(999)
At December 31, 2021	-	21,119	17,639	9,607	993	49,358
At January 1, 2020	-	5,701	2,179	4,370	871	13,121
Transfers to “Right-of-use assets”	-	-	(53)	-	-	(53)
Depreciation charge for the year	-	7,705	7,752	2,805	507	18,769
Disposals	-	-	-	(69)	-	(69)
At December 31, 2020	-	13,406	9,878	7,106	1,378	31,768
Net Book Value						
At December 31, 2021	60,480	211,310	90,212	6,416	1,673	370,091
At December 31, 2020	60,480	219,023	97,944	8,180	2,213	387,840



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	Separate financial statements (In Thousand Baht)			
	Condominium unit and office improvement	Tools, furniture and office equipment	Vehicles	Total
Cost				
At January 1, 2021	29,482	7,634	925	38,041
Additions	-	820	-	820
Disposals	-	(83)	(925)	(1,008)
At December 31, 2021	29,482	8,371	-	37,853
At January 1, 2020	29,482	7,274	925	37,681
Additions	-	440	-	440
Disposals	-	(80)	-	(80)
At December 31, 2020	29,482	7,634	925	38,041
Accumulated depreciation				
At January 1, 2021	4,789	4,826	917	10,532
Depreciation charge for the year	1,260	1,061	3	2,324
Disposals	-	(79)	(920)	(999)
At December 31, 2021	6,049	5,808	-	11,857
At January 1, 2020	3,530	3,606	817	7,953
Depreciation charge for the year	1,259	1,289	100	2,648
Disposals	-	(69)	-	(69)
At December 31, 2020	4,789	4,826	917	10,532
Net Book Value				
At December 31, 2021	23,433	2,563	-	25,996
At December 31, 2020	24,693	2,808	8	27,509

The gross carrying amounts of fully depreciated property, plant and equipment those are still in use as at December 31, 2021 and 2020 are as follows:

	In Thousand Baht	
	2021	2020
Consolidated financial statements	2,978	2,212
Separate financial statements	2,978	2,212

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10. RIGHT-OF-USE ASSETS

		In Thousand Baht		
	Note	Condominium unit	Medical equipment	Total
<u>Consolidated financial statements</u>				
Cost				
At January 1, 2021 and December 31, 2021		6,918	1,526	8,444
At January 1, 2020		-	-	-
Transferred from “Property, plant and equipment”		-	1,526	1,526
Additions	4	6,918	-	6,918
At December 31, 2020		6,918	1,526	8,444
Accumulated depreciation				
At January 1, 2021		1,383	359	1,742
Depreciation charge for the year		1,384	305	1,689
At December 31, 2021		2,767	664	3,431
At January 1, 2020		-	-	-
Transferred from “Property, plant and equipment”		-	53	53
Depreciation charge for the year		1,383	306	1,689
At December 31, 2020		1,383	359	1,742
Net Book Value				
At December 31, 2021		4,151	862	5,013
At December 31, 2020		5,535	1,167	6,702
<u>Separate financial statements</u>				
Cost				
At January 1, 2021 and December 31, 2021		6,918	-	6,918
At January 1, 2020		-	-	-
Additions	4	6,918	-	6,918
At December 31, 2020		6,918	-	6,918
Accumulated depreciation				
At January 1, 2021		1,383	-	1,383
Depreciation charge for the year		1,384	-	1,384
At December 31, 2021		2,767	-	2,767
At January 1, 2020		-	-	-
Depreciation charge for the year		1,383	-	1,383
At December 31, 2020		1,383	-	1,383
Net Book Value				
At December 31, 2021		4,151	-	4,151
At December 31, 2020		5,535	-	5,535

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Right-of-use assets under all leases (except short-term leases and leases of low-value assets) are presented under this accounts. Right-of-use assets which title transferred to the Group are presented under “Property, plant and equipment”.

11. INCOME TAX

Details of deferred tax assets and deferred tax liabilities at December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<u>Deferred tax assets</u>				
Allowance for declining in value of inventories	264	-	264	-
Unearned revenue	5,298	5,673	5,395	5,752
Provisions for employee benefits	1,908	1,878	1,645	1,641
Other provisions	3,487	655	3,487	655
Unrealized gain on sales of medical equipment	1,918	2,173	-	-
Others	57	37	57	37
Total	<u>12,932</u>	<u>10,416</u>	<u>10,848</u>	<u>8,085</u>
<u>Deferred tax liabilities</u>				
Trade payables with interest component	<u>62</u>	<u>-</u>	<u>62</u>	<u>-</u>

Tax expense

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current tax	110,574	19,383	110,574	19,383
Deferred tax				
Movements in temporary differences	(2,746)	(1,354)	(2,875)	(1,464)
Total	<u>107,828</u>	<u>18,029</u>	<u>107,699</u>	<u>17,919</u>
<u>Reconciliation of effective tax rate</u>				
Profit before income tax	<u>526,298</u>	<u>47,581</u>	<u>531,366</u>	<u>89,672</u>
Income tax using the corporate tax rate (20%)	105,260	9,516	106,273	17,934
Tax loss of a subsidiary for which no deferred tax asset was recognized	436	8,343	-	-
Others	2,132	170	1,426	(15)
Total	<u>107,828</u>	<u>18,029</u>	<u>107,699</u>	<u>17,919</u>

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The subsidiary expects that it is not probable to utilized the tax loss and, accordingly no deferred tax asset on the tax loss is provided for the subsidiary.

At December 31, 2021, the subsidiary had unused tax losses amounting to approximately Baht 80 million. Such tax loss will expire as follows:

	<u>In Million Baht</u>	<u>Expiring in (year)</u>
Non-promoted	27.8	2023 - 2025
Promoted	52.2	2031

12. CREDIT FACILITIES AND LONG-TERM BORROWINGS

At December 31, 2021 and 2020, the Group had credit facilities from local banks as follows:

	<u>In Thousand Baht</u>			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Bank overdrafts, short-term borrowings, letters of credit, letters of guarantee, forward contracts on foreign currency, etc.				
- The Company	3,128,952	3,367,587	3,128,952	3,367,587
- The Subsidiary	20,000	20,000	-	-
Total	<u>3,148,952</u>	<u>3,387,587</u>	<u>3,128,952</u>	<u>3,367,587</u>

Short-term borrowings from financial institutions

	<u>In Thousand Baht</u>			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Promissory note (interest rate at 2.30% p.a. at December 31, 2021 and 1.44% p.a. at December 31, 2020)	114,511	73,000	114,511	73,000
Trust receipts (interest rate at 2.75% p.a. at December 31, 2021 and 2.10% - 2.75% p.a. at December 31, 2020)	676	176,467	676	176,467
Total	<u>115,187</u>	<u>249,467</u>	<u>115,187</u>	<u>249,467</u>

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Long-term borrowings

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Due within one year	13,065	9,488	-	-
Due after one year but not over July 12, 2028	234,068	245,028	-	-
Total	247,133	254,516	-	-

Long-term borrowings (of the subsidiary) bear interest rates as follows:

April 3, 2019 to July 11, 2021	KKP's MLR -2.75% per annum
July 12, 2021 to July 11, 2025	KKP's MLR -2.25% per annum
July 12, 2025 to July 11, 2028	KKP's MLR -2.00% per annum

The long-term borrowings (including interest) are repayable in monthly installment as follows:

	Monthly installment (In Thousand Baht)
August 12, 2021 to July 12, 2023	2,250
August 12, 2023 to June 12, 2028	4,300
July 12, 2028	Remaining balance

On August 11, 2021, the subsidiary entered an agreement to revise its monthly repayments of the borrowings. The revised installments are as follows:

	Monthly installment (In Thousand Baht)	
August 12, 2021 to July 12, 2022	500	- Interest be paid separately
August 12, 2022 to July 12, 2023	2,250	- Including interest
August 12, 2023 to June 12, 2028	4,600	- Including interest
July 12, 2028	Remaining balance	

Long-term borrowings approximate their fair value (Level 2 inputs) since these financial instruments bear interest at market rates.

Collaterals of credit facilities and long-term borrowings

The Company

- Savings account and time deposits (shown under other current financial assets and other non-current financial assets) at December 31, 2021 and 2020 totaling Baht 114.9 million and Baht 107.3 million, respectively.
- Guarantee by certain directors of the Company (free of charge).

The Subsidiary

- Land, building and structures and medical equipment.
- Guarantee by the Company.



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13. TRADE AND OTHER PAYABLES

Current trade and other payables

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Trade payables		209,659	400,494	203,501	397,305
Current portion of long-term trade payables		20,755	-	20,755	-
		<u>230,414</u>	<u>400,494</u>	<u>224,256</u>	<u>397,305</u>
Advances from customers					
- Project center treating cancer patients with protons radio therapy	26	-	464,131	-	464,131
Advances from other customers and unearned revenue	26	186,355	45,317	186,150	45,302
Accrued expenses		3,653	2,599	2,262	1,315
Others		19,353	5,016	18,267	4,449
		<u>209,361</u>	<u>517,063</u>	<u>206,679</u>	<u>515,197</u>
Total		<u>439,775</u>	<u>917,557</u>	<u>430,935</u>	<u>912,502</u>

The balances of “Other current provisions” of Baht 8,219,908 in the consolidated financial statements and of Baht 9,074,065 in the separate financial statements at December 31, 2020 were reclassified and shown as part of “Advances from other customers and unearned revenue”. The reclassification was made by the management to conform with the presentation in the consolidated statement of financial position and in the separate statement of financial position at December 31, 2021.

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Non-current trade and other payables

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Note		2021	2020	2021	2020
Long-term trade payables					
		21,616	-	21,616	-
		4,484	-	4,484	-
		<u>26,100</u>	<u>-</u>	<u>26,100</u>	<u>-</u>
		(886)	-	(886)	-
		<u>25,214</u>	<u>-</u>	<u>25,214</u>	<u>-</u>
		(20,755)	-	(20,755)	-
Portion shown under non-current trade and other payables					
		4,459	-	4,459	-
Non-current unearned revenue	26	<u>82,588</u>	<u>-</u>	<u>82,588</u>	<u>-</u>
Total non-current trade and other payables		<u>87,047</u>	<u>-</u>	<u>87,047</u>	<u>-</u>

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

14. LEASE LIABILITIES

		In Thousand Baht			
		Present value		Gross lease obligation (before deducting finance charges)	
		2021	2020	2021	2020
Consolidated financial statements					
		1,684	1,568	2,009	2,009
		3,637	5,322	3,873	5,853
Total		<u>5,321</u>	<u>6,890</u>	<u>5,882</u>	<u>7,862</u>
Separate financial statements					
		1,351	1,251	1,634	1,634
		3,059	4,436	3,269	4,903
Total		<u>4,410</u>	<u>5,687</u>	<u>4,903</u>	<u>6,537</u>

Lease liabilities are discounted using effective interest rates at 5% and 7% per annum in the consolidated financial statements, and 7% per annum in the separate financial statements.



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In Thousand Baht				
Note	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Movement of lease liabilities were as follows:				
At January 1	6,890	1,504	5,687	-
Additions - non cash	4	-	6,918	-
Payments	(1,569)	(1,532)	(1,277)	(1,231)
At December 31	5,321	6,890	4,410	5,687
Interest expense on lease liabilities for the years ended December 31	402	503	350	437

15. OTHER PROVISIONS

In Thousand Baht	
Consolidated financial statements/ Separate financial statements	
Warranty	
At January 1, 2021	3,277
Provisions made	16,200
Amounts paid	(1,590)
Unused amounts reversed	(454)
At December 31, 2021	17,433

Other provisions are shown under:

In Thousand Baht	
Consolidated financial statements/ Separate financial statements	
2021	2020
Other current provisions	9,833
Other non-current provisions	7,600
Total	17,433

Warranty

The provision for warranty relates mainly to medical equipment sold during 2020 and 2021. The provision has been estimated from maintenance history of each type of medical equipment. The Group expects to settle the majority of the liability within 2022 and 2023.

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16. PROVISION FOR EMPLOYEE BENEFITS

Movement in the present value of the obligations (unfunded) were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
At January 1	9,388	8,217	8,204	7,478
Current service cost	1,667	1,733	970	1,022
Interest on obligations	154	157	131	142
Expense recognized in profit or loss	1,821	1,890	1,101	1,164
Actuarial gain on remeasurements of defined benefit plan recognized in other comprehensive income	(1,455)	(719)	(867)	(438)
Employee benefits paid	(214)	-	(214)	-
At December 31	9,540	9,388	8,224	8,204

Actuarial gain on remeasurements of defined benefit plan recognized in other comprehensive income arising from:

	Loss (gain) - In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Change in financial assumptions	(636)	(23)	(569)	54
Change in demographic assumptions	(454)	(558)	(287)	(468)
Experience adjustments	(365)	(138)	(11)	(24)
Total	(1,455)	(719)	(867)	(438)

Principal actuarial assumptions:

	%			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Discount rate	2.29 - 2.38	1.60 - 1.90	2.38	1.60
Salary increase rate	3.60 - 5.60	4.00 - 5.40	5.00 - 5.60	5.20 - 5.40
Employee turnover rate	0.00 - 9.10	0.00 - 4.90	0.00 - 5.50	0.00 - 4.90



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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have increased (decreased) in the defined benefit obligation by the amounts shown below.

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation at December 31, 2021				
Discount rate (1% change)	(744)	858	(656)	758
Salary increase rate (1% change)	775	(689)	689	(611)
Employee turnover rate (10% change)	(239)	261	(203)	220

17. SHARE CAPITAL AND WARRANTS

	In Thousand shares		In Thousand Baht	
	2021	2020	2021	2020
Authorized share capital, ordinary shares				
At Baht 0.50 par value				
At December 31	<u>440,000</u>	<u>400,000</u>	<u>220,000</u>	<u>200,000</u>
Issued and paid-up share capital, ordinary shares				
At Baht 0.50 par value				
At December 31	<u>400,000</u>	<u>400,000</u>	<u>200,000</u>	<u>200,000</u>

The Stock Exchange of Thailand accepted the Company's ordinary shares of 400 million shares as listed securities in the Market for Alternative Investment and to be traded starting July 28, 2016.

On October 18, 2021, the Company's shareholders approved:

- An allocation of free warrants to purchase the Company's newly issued ordinary shares (BIZ-W1) not exceeding 40,000,000 units to the Company's existing shareholders;
- An increase in the Company's authorized share capital from Baht 200,000,000 (400,000,000 shares at Baht 0.50 par value) to Baht 220,000,000 (440,000,000 shares at Baht 0.50 par value);
- An allocation of the newly issued ordinary shares not exceeding 40,000,000 shares at par value of Baht 0.50 to accommodate the exercise of the warrants.

The Company registered the increase in authorized share capital with the Ministry of commerce on October 26, 2021.

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Warrants

On November 3, 2021, the Company allocated 39,999,633 units of free warrants (BIZ-W1) to existing shareholders. Details of the warrants are as follows:

Exercise ratio	1 unit of warrant to 1 new ordinary share (the exercise ratio may be changed in accordance with the adjustment provisions of the warrants).
Exercise price	Baht 7 per share (the exercise price may be changed in accordance with the adjustment provisions of the warrants).
Term of warrants	November 3, 2021 to November 2, 2022.
Exercise date	May 2, 2022 and November 2, 2022. If the exercise date falls on the Company's holiday or on the Stock exchange of Thailand's holiday, the last exercise date shall be postponed.

The Stock Exchange of Thailand accepted the Company's warrants as listed securities in the Market for Alternative Investment; and to be trade starting November 24, 2021.

18. SHARE PREMIUM

Share premium represents share subscription monies received in excess of the par value of the shares issued. Share premium is not available for dividend distribution.

19. LEGAL RESERVE

Section 116 of the Public Company Act, B.E. 2535 requires a company to allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividend distribution.



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20. NON-CONTROLLING INTERESTS

Summarized of significant financial information of the subsidiary that have a material non-controlling interests are as follow:

	In Thousand Baht	
	2021	2020
Non-controlling interests percentage	35	35
<u>At December 31</u>		
Current assets	37,550	13,267
Non-current assets	357,193	374,496
Current liabilities	(22,634)	(19,669)
Non-current liabilities	(235,962)	(247,098)
Net assets	136,147	120,996
Carrying amount of non-controlling interests	47,651	42,349
<u>For the years ended December 31</u>		
Revenue	79,254	31,110
Loss for the year	(5,319)	(42,431)
Other comprehensive income	470	224
Total comprehensive loss	(4,849)	(42,207)
Loss for the year allocated to non-controlling interests	(1,862)	(14,851)
Other comprehensive income allocated to non-controlling interests	165	79
Total comprehensive loss allocated to non-controlling interests	(1,697)	(14,772)
Net cash flows from operating activities	15,764	(19,709)
Net cash flows from investing activities	(2)	(2,176)
Net cash flows from financing activities	1,888	3,996
Net increase (decrease) in cash and cash equivalents	17,650	(17,889)

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21. REVENUES

	In Thousand Baht		
	Revenues recognized		
	At point in time	Over time	Total
For the year ended December 31, 2021			
Sales of goods	2,593,117	-	2,593,117
Rendering of services	17,349	230,112	247,461
Construction	-	5,231	5,231
Hospital operations (in consolidated financial statements)	74,954	-	74,954
For the year ended December 31, 2020			
Sales of goods	527,040	-	527,040
Rendering of services	-	196,496	196,496
Construction	-	819	819
Hospital operations (in consolidated financial statements)	30,979	-	30,979

22. EXPENSE BY NATURE

Significant expenses by nature are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Costs of sales of goods	2,039,011	416,065	2,039,011	416,065
Costs of rendering of services	185,101	149,234	185,101	149,234
Costs of construction	4,824	769	4,824	769
Medicine, medical supplies and other supplies used	4,801	1,507	-	-
Doctor fee	7,090	4,376	-	-
Employee expenses	51,245	43,933	34,734	23,192
Directors' and management's remuneration	24,646	17,913	21,216	14,165
Advertising and sale promotion	1,618	1,538	1,101	1,100
Rental expenses	720	1,051	329	288
Utility expenses	3,886	3,564	672	552
Depreciation and amortization	20,349	20,513	3,765	4,075



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23. OTHER COMPREHENSIVE INCOME

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Items that will not be reclassified subsequently to profit or loss				
- Actuarial gain on remeasurements of defined benefit plan	1,455	719	867	438
Tax expense	(291)	(144)	(173)	(88)
Net	1,164	575	694	350

24. EARNINGS PER SHARE

	In Thousand Baht / In Thousand shares			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Profit attributable to ordinary equity holders of the parent	420,332	44,403	423,667	71,753
Weighted average number of ordinary shares (for calculating basic earnings per shares)	400,000	400,000	400,000	400,000
Effect from potential exercise of warrants	1,831	-	1,831	-
Weighted average number of ordinary shares (for calculating diluted earnings per shares)	401,831	400,000	401,831	400,000
Basic earnings per shares (In Baht)	1.051	0.111	1.059	0.179
Diluted earnings per shares (In Baht)	1.046	0.111	1.054	0.179

25. DIVIDENDS

On March 30, 2020, the Company's Board of Directors approved interim dividends of Baht 100,000,000 (400,000,000 shares at Baht 0.25 per share) from profit for the year ended December 31, 2019.

On April 9, 2021, the Shareholders approved dividends of Baht 60,000,000 (400,000,000 shares at Baht 0.15 per share) from profit for the year ended December 31, 2020.

On November 24, 2021, the Company's Board of Directors approved interim dividends of Baht 100,000,000 (400,000,000 shares at Baht 0.25 per share) from profit for the nine-month period ended September 30, 2021.



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26. CONTRACTS WITH CUSTOMERS

Unbilled trade receivables

	In Thousand Baht			
	Sales of goods	Rendering of services	Hospital operations	Total
<u>Consolidated financial statements</u>				
At January 1, 2021	40,520	37,367	675	78,562
Amounts at the beginning of the period transferred to trade receivables	(40,520)	(37,367)	(675)	(78,562)
Excess of revenue recognized over billing being recognized	259	40,148	2,717	43,124
At December 31, 2021	259	40,148	2,717	43,124
<u>Separate financial statements</u>				
At January 1, 2021	40,520	37,367	-	77,887
Amounts at the beginning of the period transferred to trade receivables	(40,520)	(37,367)	-	(77,887)
Excess of revenue recognized over billing being recognized	259	40,148	-	40,407
At December 31, 2021	259	40,148	-	40,407

The Group expects to bill and collect the balances of unbilled receivables at December 31, 2021 within the following periods:

	Billings	Collections
Rendering of services and hospital operations	3 - 6 months	6 - 9 months

Project center treating cancer patients with protons radio therapy (Protons radio therapy project)

The Company entered into an agreement, to sale medical equipment including installation and construction of a building (under Project center treating cancer patients with protons radio therapy), with a local hospital at Baht 1,200 million. The details are as follows:

	In Thousand Baht		
	Excluding Value-added tax	Value-added tax	Total
Sale of medical equipment including installation	900,260	63,018	963,278
Construction of building for locating the medical equipment	221,234	15,486	236,720
Total	1,121,494	78,504	1,199,998



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Construction contract - Protons radio therapy project

	In Thousand Baht
	Consolidated financial statements/ Separate financial statements
Revenue recognized up to December 31, 2020	221,234
Billings up to December 31, 2020	(214,042)
Balance at December 31, 2020	7,192
Billings in September 2021	(7,192)
Balance at December 31, 2021	-

Sale of medical equipment - Protons radio therapy project

	In Thousand Baht		
	Principal	Interest	Total
Advances from customer			
At January 1, 2021	444,447	19,684	464,131
Additions (interest rate at 2.57% per annum)	-	8,433	8,433
Advances from customer at acceptance date of the project	444,447	28,117	472,564
The rest	455,813		455,813
Total	900,260		
Amount including interest up to acceptance date of the project			928,377
Less amount not yet realized as revenue			(3,569)
Amount realized as revenue			924,808

Advances from other customers and unearned revenue

	In Thousand Baht			
	Sales of goods	Rendering of services	Hospital operations	Total
<u>Consolidated financial statements</u>				
At January 1, 2021	33,562	10,886	869	45,317
Amounts at the beginning of the period recognized as revenue	(33,514)	(9,234)	(869)	(43,617)
Cash received in advance of performance and not recognized as revenue	54,296	212,374	573	267,243
At December 31, 2021	54,344	214,026	573	268,943
<u>Balance at December 31, 2021</u> <u>shown under</u>				
Current liabilities	54,344	131,438	573	186,355
Non-current liabilities	-	82,588	-	82,588
Total	54,344	214,026	573	268,943

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	In Thousand Baht			
	Sales of goods	Rendering of services	Hospital operations	Total
<u>Separate financial statements</u>				
At January 1, 2021	33,562	11,740	-	45,302
Amounts at the beginning of the period recognized as revenue	(33,514)	(9,720)	-	(43,234)
Cash received in advance of performance and not recognized as revenue	54,296	212,374	-	266,670
At December 31, 2021	54,344	214,394	-	268,738
<u>Balance at December 31, 2021 shown under</u>				
Current liabilities	54,344	131,806	-	186,150
Non-current liabilities	-	82,588	-	82,588
Total	54,344	214,394	-	268,738

Long-term unearned revenue

	In Thousand Baht		
	Consolidated financial statements/ Separate financial statements		
	Principal	Interest	Total
At January 1, 2021	-	-	-
Additions	217,280	-	217,280
Interest (interest rate at 2.10% to 2.97% per annum)	-	1,660	1,660
	217,280	1,660	218,940
Recognized as revenue	(28,961)	(155)	(29,116)
At December 31, 2021	188,319	1,505	189,824
Less portion shown under current trade and other payables	(105,731)	(1,505)	(107,236)
Non-current unearned revenue	82,588	-	82,588

Remaining performance obligations

At December 31, 2021, the Group had remaining performance obligations on rendering of services, (which their part of contracts that have original expected duration over one year) amounting to Baht 208.8 million for the Group and for the Company. This amount includes unearned revenue of Baht 189.8 million.

The Group expects to recognize this amount as revenue in the future period as follows:

	In Thousand Baht
Within one year	114,864
Over one year but not over two years	93,920
Total	208,784



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

27. SEGMENT INFORMATION

The Group operates 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 mainly in Thailand; and hospital operations (specialized in cancer treatment) only in Thailand. The management considers that the Group has two operating 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 (specialized in cancer treatment)

	In Thousand Baht			Net
	Segment 1	Segment 2	Elimination	
For the year ended December 31, 2021				
External revenues	2,845,809	74,954	-	2,920,763
Depreciation and amortization	3,765	17,465	(881)	20,349
Interest expense	14,100	10,110	-	24,210
Profit (loss) before income tax	531,366	(5,463)	395	526,298
Tax income (expense)	(107,699)	144	(273)	(107,828)
Profit (loss) for the year	423,667	(5,319)	122	418,470
For the year ended December 31, 2020				
External revenues	724,355	30,979	-	755,334
Depreciation and amortization	4,075	17,319	(881)	20,513
Interest expense	12,518	9,935	-	22,453
Profit (loss) before income tax	89,672	(42,576)	485	47,581
Tax income (expense)	(17,919)	145	(255)	(18,029)
Profit (loss) for the year	71,753	(42,431)	230	29,552

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Total assets and total liabilities classified by segment of the Group are as follows:

	In Thousand Baht			
	Segment 1	Segment 2	Elimination	Net
At December 31, 2021				
Total assets	1,422,510	394,743	(9,442)	1,807,811
Total liabilities	708,471	258,596	(396)	966,671
At December 31, 2020				
Total assets	1,658,866	387,763	(13,977)	2,032,652
Total liabilities	1,196,188	266,767	(4,809)	1,458,146

Revenues from major customers for the years ended December 31, 2021 and 2020 are as follows:

	In Million Baht	
	2021	2020
Segment 1	1,387	430
Segment 2	-	-

28. REGISTERED PROVIDENT FUND

The Company has arranged a contributory registered provident fund in accordance with the Provident Fund Act. Membership to the fund is on a voluntary basis. Under the plan, the Company and employees contribute an amount equivalent to 3% - 8% of the employees' basic salaries.

The Company's contribution, which was charged to expense for the years ended December 31, 2021 and 2020, amounted to Baht 1.1 million and Baht 1.0 million, respectively.

29. PROMOTIONAL PRIVILEGES

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, the subsidiary has been granted privileges by the Board of Investment relating to specialized cancer center. The privileges granted include among others, exemption from payment of income tax from promoted operations for a period of 8 years from October 3, 2019; and reduction of income tax of net profit from the promoted business at 50% for 5 years afterwards.

As a promoted company, the subsidiary must comply with certain conditions and restrictions provided for in the promotional certificates.



BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

30. AGREEMENTS

The Company entered into two distribution agreements with a foreign company and entered into two service agreements with a local branch of the foreign company. Under the terms of the distribution agreements, the Company was appointed as the 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 amounts specified in the agreements. Under the terms of the service agreements, the Company was appointed to obtain maintenance services, etc. to the products sold to the customers. The terms of the agreements are effective up to September 30, 2021. The agreements were extended for one year ending September 30, 2022. The agreements may be early terminated by either party giving to the other notice in writing at least thirty days.

31. DISCLOSURES OF FINANCIAL INSTRUMENTS

Credit risk

Credit risks arise when the counterparties fail to meet their obligations as agreed. The Group does not have any material credit risks because the Group constantly evaluates the debtor's status.

Interest rate risk

Interest rate risk incurs from the future interest rate instability, which may affect the Group operating result and cash flow. The Group also incurs interest rate risk from borrowings from financial institutions.

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases of goods and expenses which are denominated in foreign currencies.

At December 31, 2021 and 2020, the Group had liabilities in foreign currencies not covered by forward contract as follows:

	In Thousand			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
U.S. Dollars	5,928	1,750	5,928	1,750

Management believes that said foreign currency risk is minimal.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

BUSINESS ALIGNMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

32. CAPITAL MANAGEMENT

Significant objectives of the capital management of the Group is to ensure that they have appropriate financial and capital structures as well as the financial liquidity and ability to continue their businesses as a going concern.

33. EVENTS AFTER THE REPORTING PERIOD

On February 23, 2022, the Company's Board of Directors resolved a proposal to the Shareholders' meeting to approve:

- Stock dividends (ratio of 2 existing ordinary shares to 1 stock dividend) of Baht 100,000,000 (200,000,000 shares at Baht 0.50 per share) and cash dividends of Baht 171,111,111 (400,000,000 shares at Baht 0.42777777750 per share);
- An increase in the Company's authorized share capital from Baht 220,000,000 (440,000,000 shares at Baht 0.50 par value) to Baht 330,000,000 (660,000,000 shares at Baht 0.50 par value);
- An allocation of newly issued ordinary shares not exceeding 220,000,000 shares at par value of Baht 0.50 to accommodate stock dividends and adjustment of the exercise of the warrants (BIZ-W1) whereby exercise price and exercise ratio of warrants (BIZ-W1) will be changed from effect of stock dividends issuance as follows:

	<u>Before</u>	<u>After</u>
Exercise price		
- Per share	Baht 7.00	Baht 4.66667
Exercise ratio		
- Unit of warrant to ordinary share	1 : 1	1 : 1.5

34. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of directors on February 23, 2022.



We are the provider, distributor and maintenance service provider of medical and health equipment especially for cancer patients in order for them to be able to access the modern technology and equality with developed countries.



B|A

Business Alignment

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