

No. BIZ 015/2022

10 August 2022

Subject: Management Discussion and Analysis for the three-month period ended 30 June 2022

To: The President
The Stock Exchange of Thailand

Business Alignment Public Company Limited (“The Company”) and its subsidiary would like to submit this Management Discussion and Analysis of the Company’s operation for the three-month period ended 30 June 2022, with details as follows

Statement of Comprehensive Income for the three-month period ended 30 June 2022

Statement of Comprehensive Income	ended 30 June 2022	ended 30 June 2021	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenue from sales of goods	114.49	545.94	(431.45)	(79.03%)
Revenue from rendering of services	81.24	57.83	23.41	40.49%
Revenue from construction	-	4.75	(4.75)	(100.00%)
Revenue from hospital operations	23.94	18.80	5.14	27.34%
Income from business operation	219.67	627.32	(407.65)	(64.98%)
Gain on exchange rate	1.75	-	1.75	100.00%
Other Income	0.99	0.60	0.39	65.55%
Total Other Income	2.74	0.60	2.14	357.86%
Total Revenue	222.41	627.92	(405.51)	(64.58%)
Cost of sales of goods	88.15	401.14	(312.99)	(78.03%)
Cost of rendering of services	64.84	44.66	20.18	45.19%
Cost of construction	-	4.28	(4.28)	(100.00%)
Cost of hospital operations	18.19	14.94	3.25	21.73%
Gross Profit	48.49	162.29	(113.80)	(70.12%)
Selling and distribution expenses	3.44	5.41	(1.97)	(36.38%)
Administrative expenses	12.42	11.74	0.68	5.81%
Loss on exchange rate	-	0.55	(0.55)	(100.00%)
Earnings Before Interest & Tax	35.37	145.19	(109.82)	(75.64%)
Interest Expenses	3.78	6.15	(2.37)	(38.56%)
Earnings Before Tax	31.59	139.04	(107.45)	(77.28%)
Tax Expenses	6.96	28.14	(21.18)	(75.26%)
Net Profit (Loss)	24.63	110.90	(86.27)	(77.79%)
Profit attributable to:				
Equity holders of the parent	25.06	111.49	(86.43)	(77.53%)
Non-controlling interest	(0.43)	(0.59)		

The Consolidated Financial Statement of the Company and its subsidiary for the three-month period ended 30 June 2022, the Company generated revenue of 222.41 million Baht and net profit attributable to equity holder of the parent of 25.06 million Baht. The changes can be explained as follows;

Revenue from business operation

For the three-month period ended 30 June 2022, the Company and its subsidiary generated revenue from sales, services and hospital operations of 219.67 million Baht, decreasing by 407.65 million Baht or 64.98%, when compared to the previous year, with details as follows:

1. **Revenue from sales of goods**

For the three-month period ended 30 June 2022, the Company and its subsidiary generated revenue from sales of 114.49 million Baht, decreasing by 431.45 million Baht or 79.03%, when compared to the previous year. This decrease was due to the Company deliver 1 Project. when compared to the previous year the Company deliver 3 Projects.

2. **Revenue from rendering of services**

For the three-month period ended 30 June 2022, the Company and its subsidiary generated a revenue from rendering of services of 81.24 million Baht, increasing by 23.41 million Baht or 40.49%, when compared to the previous year. This increase was due to the company has more maintenance contracts than the same period of the previous year.

3. **Revenue from hospital operations**

Revenue from hospital operations investment in Cancer Alliance Co., Ltd. (“CAH”) as subsidiary to operate specialized hospital for cancer treatment. For the three-month period ended 30 June 2022, the Company and its subsidiary generated a revenue from hospital operations of 23.94 million Baht, increasing by 5.14 million Baht or 27.34%, when compared to the previous year. The increase the number of customers service from the hospital.

Other Revenue

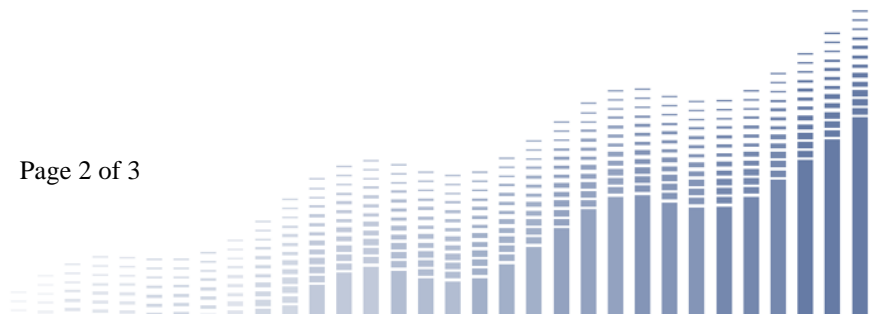
For the three-month period ended 30 June 2022, the Company and its subsidiary generated other revenue of 2.74 million Baht, increasing by 2.14 million Baht or 357.86%, when compared to the previous year. The increase was because the Company from gain on exchange rate.

Cost of sales of goods and Gross Profit Margin from sales of goods

For the three-month period ended 30 June 2022, the Company and its subsidiary had a gross profit from sales of 26.34 million Baht or equivalent to gross profit margin of 23.01%, of the same period of previous year at 26.52%.

Cost of rendering of services and Gross Profit Margin from rendering of services

For the three-month period ended 30 June 2022, the Company and its subsidiary had a gross profit from services of 16.41 million Baht or equivalent to gross profit margin of 20.19%, the Company had gross profit normal from services of the same period of previous year at 22.77%.



Cost of hospital operations and Gross Profit Margin from hospital operations

For the three-month period ended 30 June 2022, the Company and its subsidiary had a gross profit from hospital operations of 5.75 million Baht or equivalent to gross loss of 24.02% of the same period of previous year at 20.52%.

Selling and distribution expenses and Administrative Expenses

For the three-month period ended 30 June 2022, the Company and its subsidiary had a Selling and distribution expenses of 3.44 million Baht, decreasing by 1.97 million Baht or 36.38% compared to the previous year. This decrease of human resources costs.

For the three-month period ended 30 June 2022, the Company had administrative expenses of 12.42 million Baht, of the same period of previous year at 11.74 million Baht.

Finance Costs

For the three-month period ended 30 June 2022, the Company and its subsidiary had financial costs of 3.78 million Baht, decreasing by 2.37 million Baht or 38.56%, This decrease the interest expense of advance payment from customer.

Net Profit and Net Profit Margin

For the three-month period ended 30 June 2022, the Company and its subsidiary had a net profit attributable to equity holder of the parent of 25.06 million Baht, or equivalent to net profit margin of 11.27% compared to the previous year, which had the net profit attributable to equity holder of the parent of 111.49 million Baht or net profit margin of 17.76%, the Company had net profit margin was as planned and the Company normal profit margin.

The Company recognized a loss incurred from its investment in Cancer Alliance Co., Ltd. (“CAH”) as subsidiary to operate specialized hospital for cancer treatment of 0.80 million Baht proportional to 65%.

Please be informed accordingly.

Yours Sincerely,



(Mr. Sompong Chunekitiyanone)
Chief Executive Officer
Business Alignment Public Company Limited

