

Ref. BIZ 010/2023

May 8, 2023

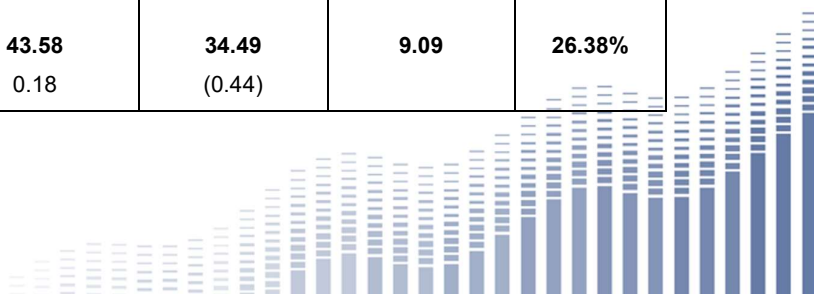
Subject: Management Discussion and Analysis for the three-month period ended March 31, 2023

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

Business Alignment Public Company Limited (“the Company”) and its subsidiary would like to submit this Management Discussion and Analysis of the Company’s operation for the three-month period ended March 31, 2023, detailed as follows:

Statement of comprehensive income for the three-month period ended March 31, 2023

Statement of comprehensive income	Ended March 31, 2023	Ended March 31, 2022	Increase (Decrease)	
	Million baht	Million baht	Million baht	%
Revenue from sales of goods	288.69	229.45	59.24	25.82%
Revenue from rendering of services	95.61	74.67	20.94	28.04%
Revenue from hospital operations	25.93	22.46	3.47	15.48%
Income from business operation	410.23	326.58	83.65	25.62%
Gain on exchange rate	0.00	1.45	(1.45)	(100.00%)
Other income	0.40	0.32	0.08	24.06%
Total other income	0.40	1.77	(1.37)	(77.58%)
Total revenue	410.63	328.35	82.28	25.06%
Cost of sales of goods	233.42	187.21	46.21	24.69%
Cost of rendering of services	80.11	59.80	20.31	33.97%
Cost of hospital operations	18.92	16.59	2.33	14.05%
Gross profit	77.78	62.98	14.80	23.48%
Selling and distribution expenses	5.37	5.50	(0.13)	(2.34%)
Administrative expenses	13.25	12.27	0.98	7.97%
Loss on exchange rate	1.92	0.00	1.92	100.00%
Earnings before interest & tax	57.63	46.98	10.65	22.68%
Interest expenses	2.81	4.14	(1.33)	(32.23%)
Earnings before tax	54.82	42.84	11.98	27.99%
Tax expenses	11.06	8.79	2.27	25.84%
Net profit (Loss)	43.76	34.05	9.71	28.54%
Profit attributable to:				
Equity holders of the Company	43.58	34.49	9.09	26.38%
Non-controlling interest	0.18	(0.44)		



The consolidated financial statement of the Company and its subsidiary for the three-month period ended March 31, 2023, reported the revenue of 410.63 million baht and the net profit attributable to equity holder of the Company of 43.58 million baht, details as follows:

Revenue from business operation

For the three-month period ended March 31, 2023, the Company and its subsidiary had the revenues from sales, rendering of services, and hospital operations totaling 410.23 million baht which was increased by 83.65 million baht or 25.62 percent over the same period last year, details as follows:

1. Revenue from sales of goods

For the three-month period ended March 31, 2023, the Company and its subsidiary had the sales revenue of 288.69 million baht, an increase of 59.24 million baht or 25.82 percent compared to the same period last year. This increase was due to the 2 large-scale projects delivered in the first quarter of 2023.

2. Revenue from rendering of services

For the three-month period ended March 31, 2023, the Company and its subsidiary had the rendering of services revenue of 95.61 million baht, an increase of 20.94 million baht or 28.04 percent compared to the same period last year. This increase was due to the higher maintenance service contracts compared to the same period last year.

3. Revenue from hospital operations

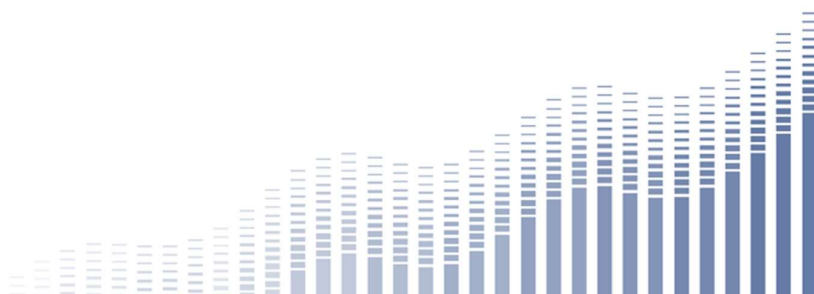
Revenue from hospital operations referred to the income generated by the Company’s subsidiary (Cancer Alliance Company Limited) from operating a specialized hospital for cancer treatment. For the three-month period ended March 31, 2023, the subsidiary had revenue from hospital operations of 25.93 million baht, which increased by 3.47 million baht or 15.48 percent compared to the same period last year, due to an increase in the number of the hospital’s customer.

Other revenue

For the three-month period ended March 31, 2023, the Company and its subsidiary had other revenue of 0.40 million baht, a decrease of 1.37 million baht or 77.58 percent compared to the same period last year, due to the gain on exchange rate.



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

For the three-month period ended 31 March 2023, the Company and its subsidiary had a gross profit from sales of 55.27 million baht, which was equivalent to a gross profit margin of 19.14 percent. This was similar to the same period last year, which was 18.41 percent.

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

For the three-month period ended 31 March 2023, the Company and its subsidiary had a gross profit from rendering of services of 15.50 million baht, which was equivalent to a gross profit margin of 16.21 percent compared to the same period last year which was 19.92 percent. The decrease in a gross profit was due to the higher training expenses of service staffs.

Cost of hospital operations and gross profit margin from hospital operations

For the three-month period ended 31 March 2023, the Company and its subsidiary had a gross profit from hospital operations of 7.01 million baht, which was equivalent to a gross profit margin of 27.02 percent. This was similar to the same period last year, which was 26.11 percent.

Selling and distribution expenses and administrative expenses

For the three-month period ended 31 March 2023, the Company and its subsidiary had the selling and distribution expenses of 5.37 million baht. This was similar to the same period last year, which was 5.50 million baht.

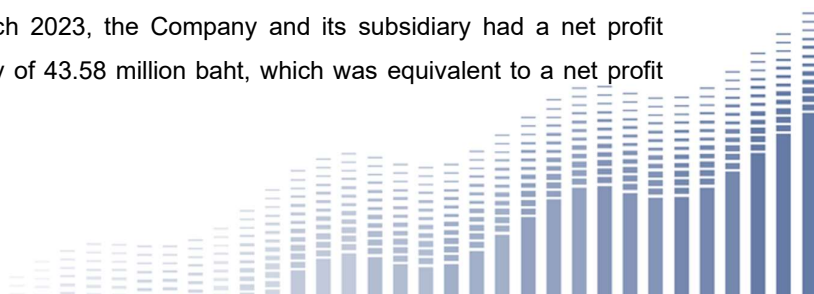
For the three-month period ended 31 March 2023, the Company and its subsidiary had the administrative expenses of 13.25 million baht. This was similar to the same period last year which was 12.27 million baht.

Finance cost

For the three-month period ended 31 March 2023, the Company and its subsidiary had a financial cost of 2.81 million baht, a decrease of 1.33 million baht or 32.23 percent due to a decrease in an interest payment on long-term loans of the subsidiary.

Net profit and net profit margin

For the three-month period ended 31 March 2023, the Company and its subsidiary had a net profit attributable to equity holder of the Company of 43.58 million baht, which was equivalent to a net profit



margin of 10.61 percent. This was similar to the same period last year which was 34.49 million baht or equivalent to a net profit margin of 10.50 percent.

For the three-month period ended 31 March 2023, the subsidiary had a net profit of 0.69 million baht. The Company recognized a gain/loss from the subsidiary based on the shareholding proportion (73.97 percent).

Please be informed accordingly.

Yours Sincerely,



(Mr. Sompong Chunekitiyanone)

Chief Executive Officer

Business Alignment Public Company Limited



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