

Ref. BIZ002 /2024

February 19, 2024

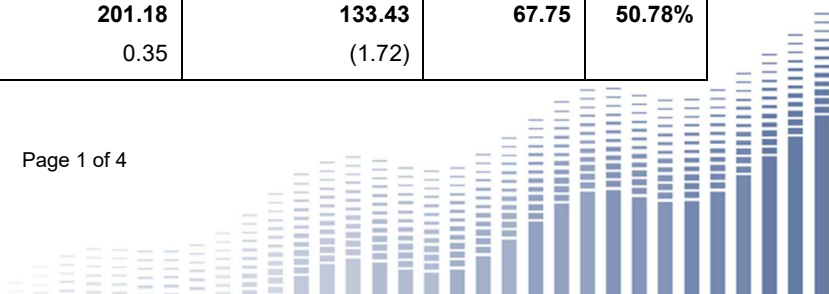
**Subject: Management Discussion and Analysis for the Year Ended December 31, 2023**

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

Business Alignment Public Company Limited (“the Company”) and its subsidiary would like to submit the Management Discussion and Analysis of the Company’s operation for the year ended December 31, 2023, with details as follows:

**Statement of Comprehensive Income for the Year Ended December 31, 2023**

Statement of Comprehensive Income	Year Ended December 31, 2023	Year Ended December 31, 2022	Increase (Decrease)	
	Million Baht	Million Baht	Million Baht	%
Revenue from Sales of Goods	1,148.65	786.41	362.24	46.06%
Revenue from Rendering of Services	437.29	341.03	96.26	28.23%
Revenue from Hospital Operations	103.03	98.14	4.89	4.98%
<b>Total Revenue from Business Operation</b>	<b>1,688.97</b>	<b>1,225.58</b>	<b>463.39</b>	<b>37.81%</b>
Gain on Exchange Rate	3.74	5.58	(1.84)	(33.10%)
Other Income	5.69	4.04	1.65	41.02%
<b>Total Other Revenue</b>	<b>9.43</b>	<b>9.62</b>	<b>(0.19)</b>	<b>(2.00%)</b>
<b>Total Revenue</b>	<b>1,698.40</b>	<b>1,235.20</b>	<b>463.20</b>	<b>37.50%</b>
Cost of Sales of Goods	911.60	622.36	289.24	46.47%
Cost of Rendering of Services	367.91	278.37	89.54	32.16%
Cost of Hospital Operations	76.31	73.09	3.22	4.42%
<b>Total Cost of Sales and Services</b>	<b>1,355.82</b>	<b>973.82</b>	<b>382.00</b>	<b>39.23%</b>
<b>Gross Profit</b>	<b>333.15</b>	<b>251.76</b>	<b>81.39</b>	<b>32.33%</b>
Distribution Costs	23.57	21.09	2.48	11.74%
Administrative Expenses	55.51	59.22	(3.71)	(6.27%)
<b>Earnings Before Interest &amp; Tax</b>	<b>263.50</b>	<b>181.06</b>	<b>82.44</b>	<b>45.53%</b>
Interest Expenses	11.78	14.34	(2.56)	(17.80%)
<b>Earnings Before Tax</b>	<b>251.72</b>	<b>166.72</b>	<b>85.00</b>	<b>50.98%</b>
Tax Expenses	50.19	35.01	15.18	43.34%
<b>Net Profit</b>	<b>201.53</b>	<b>131.71</b>	<b>69.82</b>	<b>53.01%</b>
<u>Profit Attributable to:</u>				
<b>Equity Holders of the Company</b>	<b>201.18</b>	<b>133.43</b>	<b>67.75</b>	<b>50.78%</b>
Non-controlling Interest	0.35	(1.72)		



**Revenue from Business Operation**

For the year ended December 31, 2023, the Company and its subsidiary generated revenue from sales, services and hospital operations of 1,688.97 million baht, which increased by 463.39 million baht or 37.81 percent compared to the previous year, with details as follows:

1. Revenue from Sales of Goods

For the year ended December 31, 2023, the Company and its subsidiary had the sales revenue of 1,148.65 million baht, which increased by 362.24 million baht or 46.06 percent compared to the previous year, which was 786.41 million baht. This increase resulted from the Company delivering 6 projects, compared to the 4 projects delivered the previous year.

2. Revenue from Rendering of Services

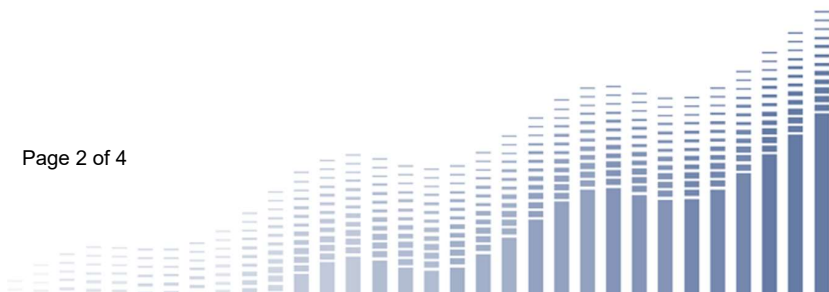
For the year ended December 31, 2023, the Company and its subsidiary had the rendering of services revenue of 437.29 million baht, which increased by 96.26 million baht or 28.23 percent compared to the previous year, which was 341.03 million baht. This increase was due to an increase in the maintenance service contracts compared to the previous 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 year ended December 31, 2023, the Company and its subsidiary had the revenue from hospital operations of 103.03 million baht, which increased by 4.89 million baht or 4.98 percent compared to the previous year. This increase was due to an increase in the number of the hospital’s customer.

**Other Revenue**

For the year ended December 31, 2023, the Company and its subsidiary had other revenue of 9.43 million baht, which decreased by 0.19 million baht or 2.00 percent compared to the previous year. The decrease was due to the gain on exchange rate.



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

For the year ended December 31, 2023, the Company and its subsidiary had a gross profit from sales of 237.05 million baht or equivalent to gross profit margin of 20.64 percent. This was similar to the previous year, which was 20.86 percent.

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

For the year ended December 31, 2023, the Company and its subsidiary had a gross profit from services of 69.38 million baht or equivalent to gross profit margin of 15.87 percent. This was similar to the previous year, which was 18.37 percent.

**Cost of Hospital Operations and Gross Profit from Hospital Operations**

For the year ended December 31, 2023, the Company and its subsidiary had a gross profit from hospital operations of 26.71 million baht or equivalent to gross profit of 25.92 percent. This was similar to the previous year, which was 25.52 percent.

**Distribution Costs and Administrative Expenses**

For the year ended December 31, 2023, the Company and its subsidiary had a distribution cost of 23.57 million baht, which increased by 2.48 million baht or 11.74 percent compared to the previous year. This increase was mainly due to an increase in the human resources costs.

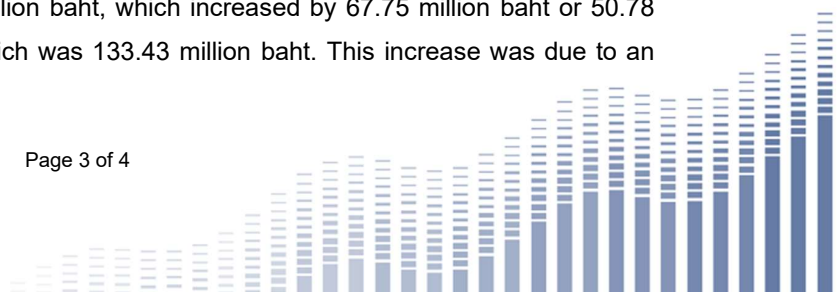
For the year ended December 31, 2023, the Company and its subsidiary had administrative expenses of 55.51 million baht. This was similar to the previous year, which was 59.22 million baht.

**Finance Costs**

For the year ended December 31, 2023, the Company and its subsidiary had financial costs of 11.78 million baht, which decreased by 2.56 million Baht or 17.80 percent. This decrease was due to a decrease in the interest expense of the subsidiary's long-term loan.

**Net Profit and Net Profit Margin**

For the year ended December 31, 2023, the Company and subsidiary had a net profit attributable to equity holder of the Company of 201.18 million baht, which increased by 67.75 million baht or 50.78 percent, compared to the previous year which was 133.43 million baht. This increase was due to an



increase in the revenue from sales and services rendering. The Company had a net profit margin of 11.85 percent. This was similar to the previous year, which was 10.80 percent.

For the year ended December 31, 2023, the subsidiary had a total net profit of 1.33 million baht. The Company recognized a net profit from the subsidiary based on the shareholding proportion (73.97 percent).

Please be informed accordingly.

Yours Sincerely,



(Mr. Sompong Chunekitiyanone)

Chief Executive Officer

