

Opportunity Day

[Q3/2017]

Business Alignment Public Company Limited

8 December 2017

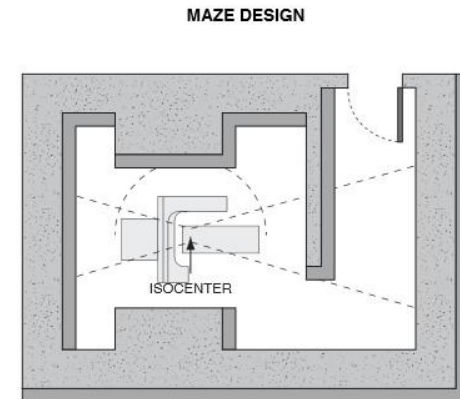
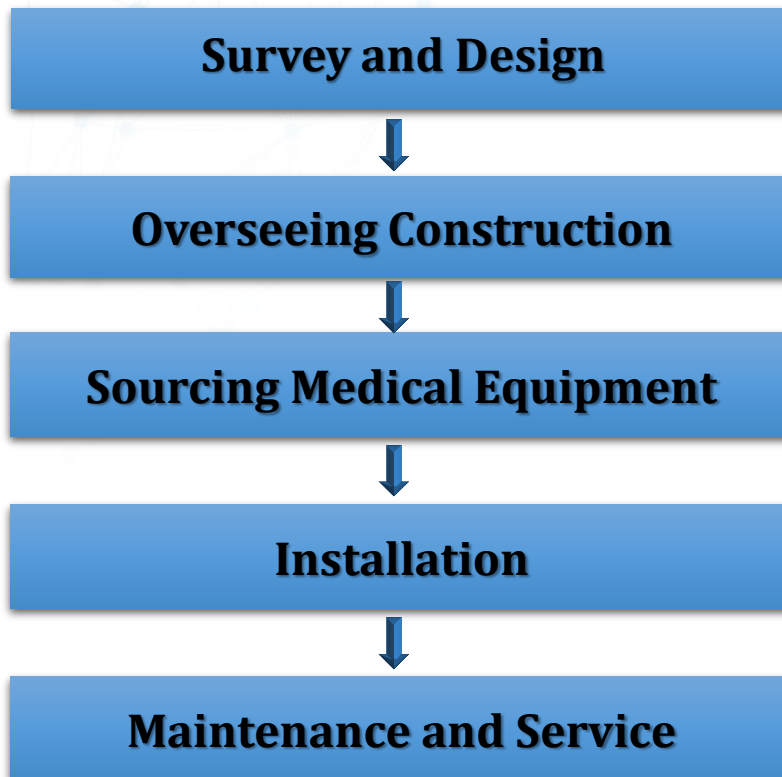


BIZ

Business Overview

WHAT WE DO

- **Business Alignment** prides itself as the ultimate Solution Provider for Radiotherapy in Thailand:



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- **Business Alignment** prides itself as the ultimate Solution Provider for Radiotherapy in Thailand:



Our Products

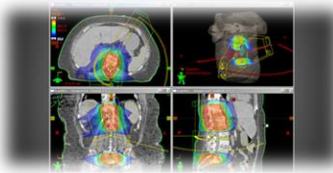
1. Products

***1. Treatment
Delivery -
Radiotherapy***



2. Treatment Systems

***1. Treatment
Planning System
2. Oncology
Information
System***



3. Other Products and Equipment

***1. Quality
Assurance and
Pretreatment
Verification Tool
2. Other Products***



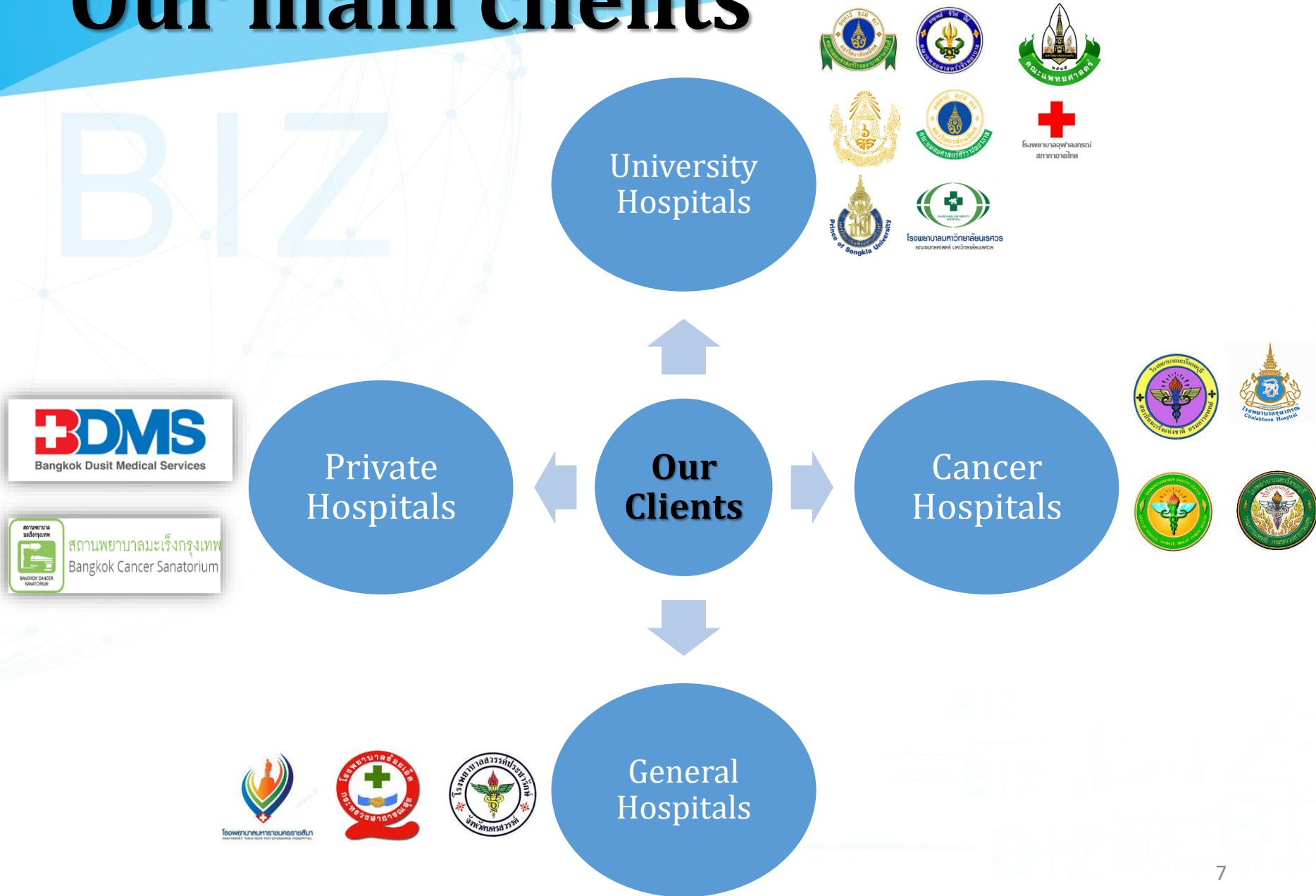
Our Services

Maintenance Service

Once the warranty of the radiotherapy equipment expires, the Company offers an annual Maintenance Agreement, which commits to service the equipment when required and to update the equipment as necessary.



Our main clients





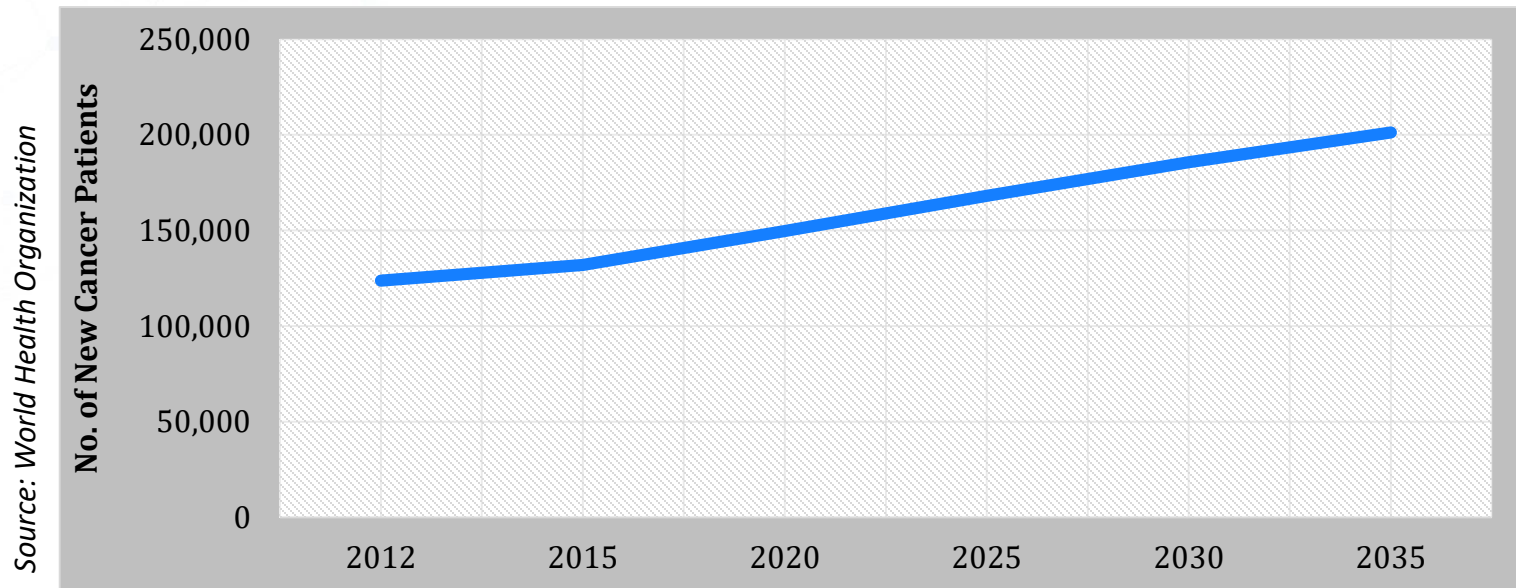
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The Industry

Cancer Statistics

The World Health Organization estimates there to be a consistent increase in the number of new cancer patients each year in Thailand.

No. of New Cancer Patients	WHO's Estimation of New Cancer Patients per year in Thailand					
	<u>2012</u>	<u>2015</u>	<u>2020</u>	<u>2025</u>	<u>2030</u>	<u>2035</u>
	123,800	131,885	149,758	168,039	185,735	201,209



Demand for Radiotherapy in Thailand

The radiotherapy delivery systems currently available in Thailand are not sufficient to provide appropriate treatment for all patients.

DEMAND

131,885 new cancer patients (2015)

50% of all cancer patients require radiotherapy (M. Samiei 2013)

~65,943 new cancer patients who required radiotherapy (2015)

400 new cancer patients can be admitted to each delivery system each year.

165 radiotherapy systems required

Current Availability

There are currently **70** radiotherapy systems in Thailand..

Of which, **28** are old technology that needs replacement.

42 up-to-date radiotherapy systems available.

NEEDED

123 additional radiotherapy systems needed in Thailand

Backlog (as of 30 November 2017)

No.	Project	Value (Million Baht)	Expected Completion and Handover
1	Radiotherapy System at Calmette Hospital (Cambodia)	70	Q4/2017
2	Project centers treating cancer patients with protons radiotherapy (King Chulalongkorn Memorial Hospital)	1,200	Year 2020
3	Radiotherapy System at Cancer Hospital Lopburi	63.7	Q2/2018
		1,333.7	

Disclaimer: The completion date of each project is subjected to change, according to the progress of the project, which is often hampered by the client's inability to hand over the project space as planned, therefore the installation process may be delayed. This could affect the project completion and handover date, and consequently the revenue recognition. As the Company entirely recognizes its revenue once the project is completed, the delay could potentially affect the Company's performance and consistency.

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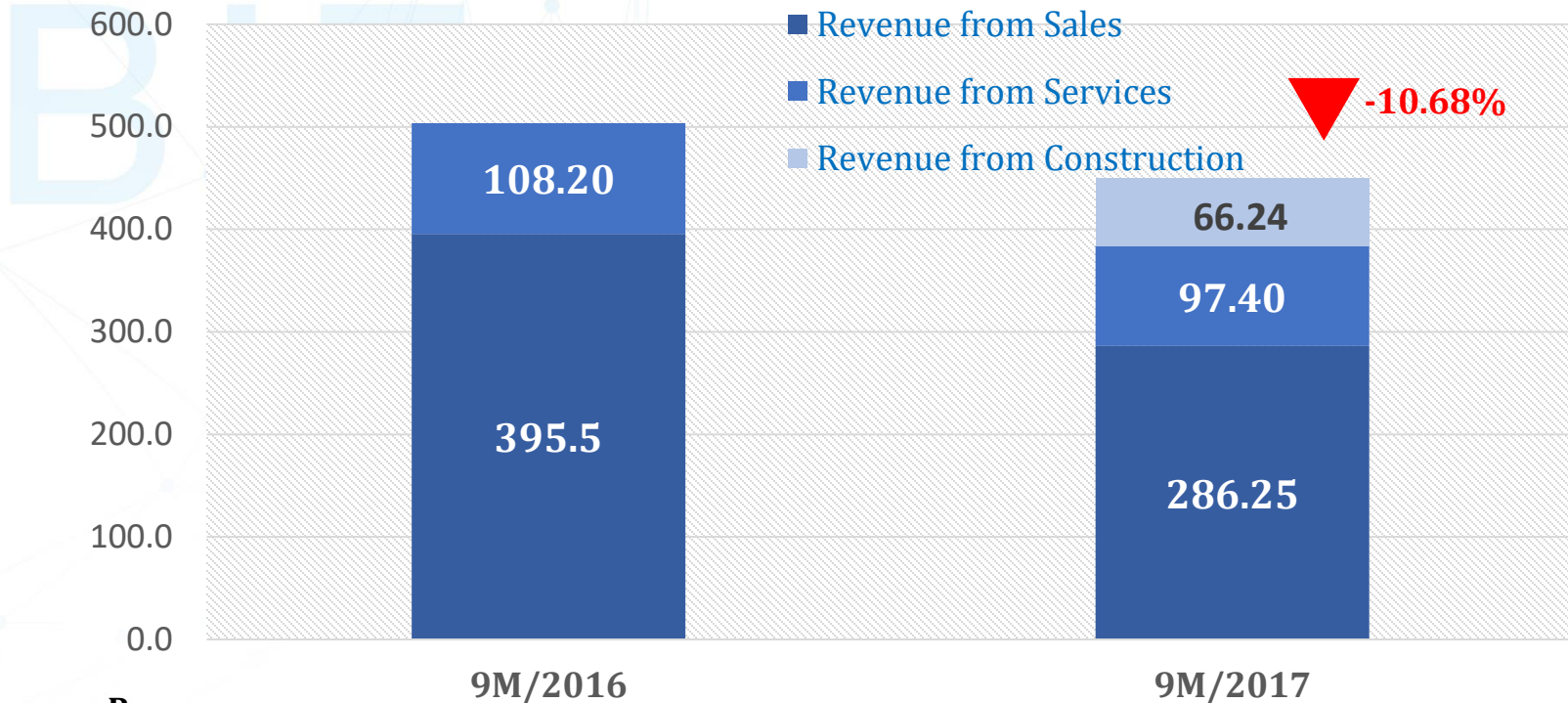
Financial Performance



Performance

(Revenue from Sales & Services and Construction)

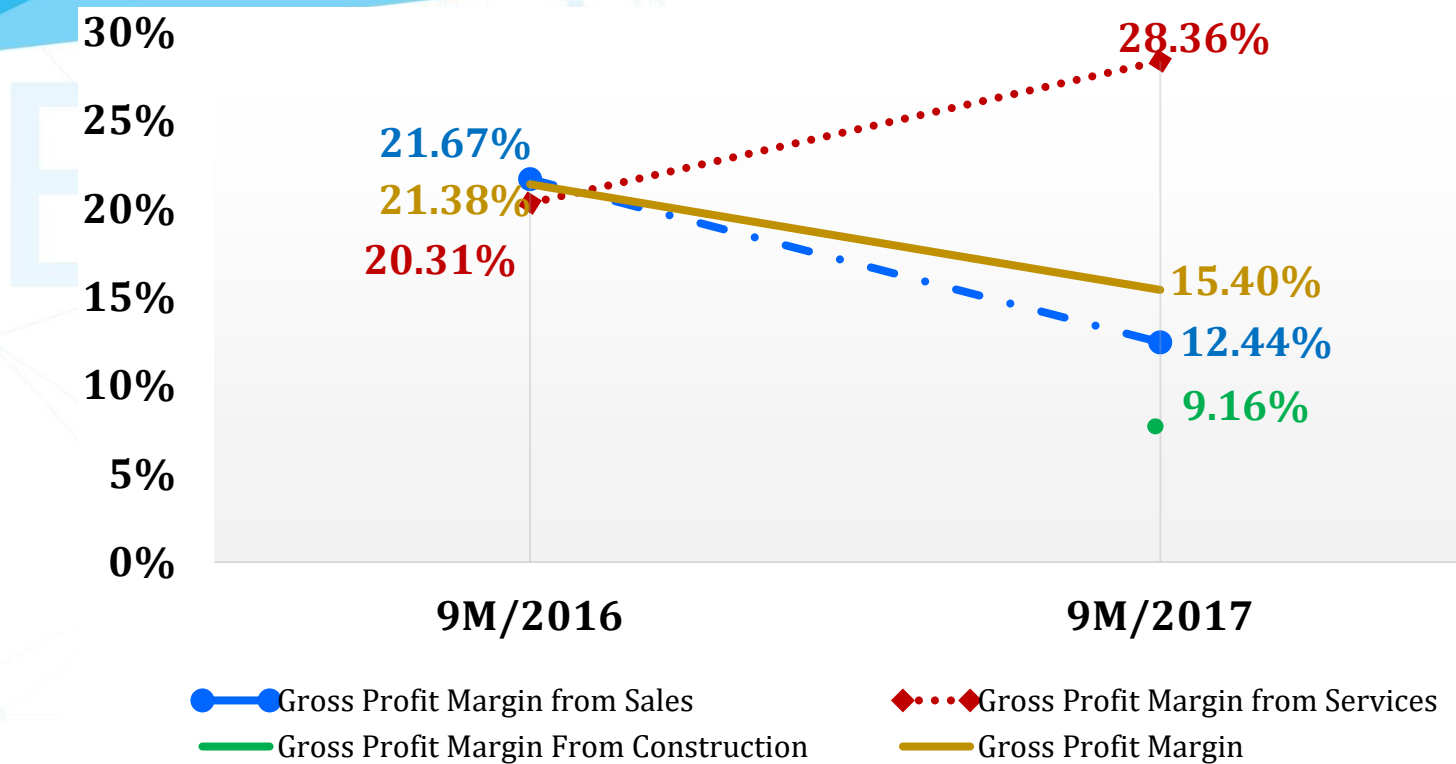
Unit : Million Baht



Revenue

- ❖ The 9-month **revenue from sales in 2017 declined by 27.62%**, when compared to the same period in the previous year. This decrease is due to the completion and revenue recognition of only one large project as expected in the Company's backlog.
- ❖ The 9-month **revenue from services in 2017 declined by 9.98%**, from that of the same period in 2016.
- ❖ The 9-month **revenue from Construction of 66.24 million Baht in 2017** was from the establishment of project centers treating cancer patients with protons radiotherapy which will be recognized from the ratio of the cost of work performed under the contract to the estimated total cost of construction.

Gross Profit Margin

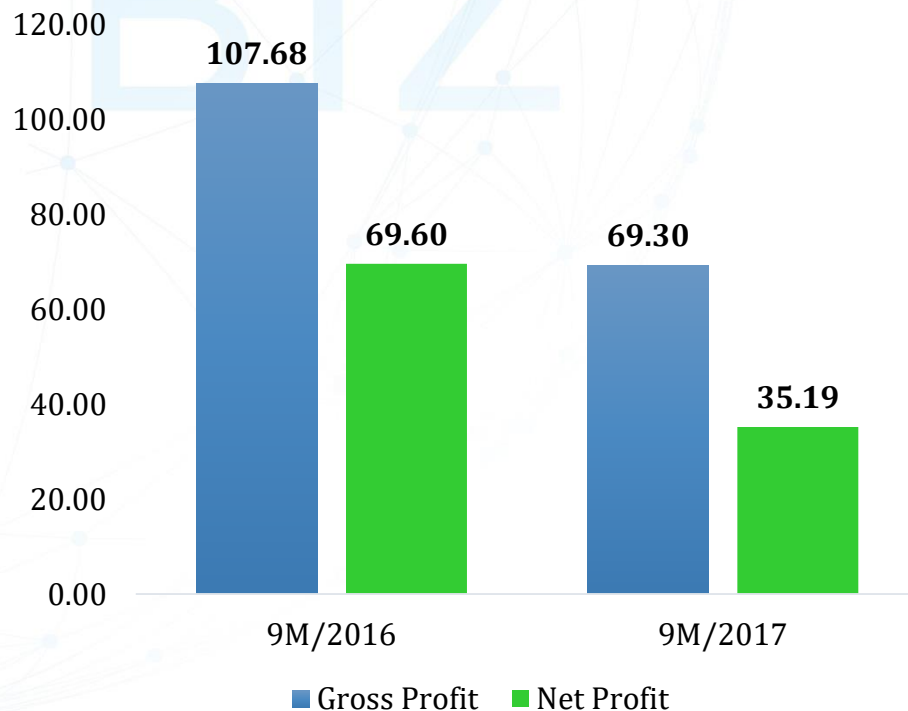


Gross Profit Margin

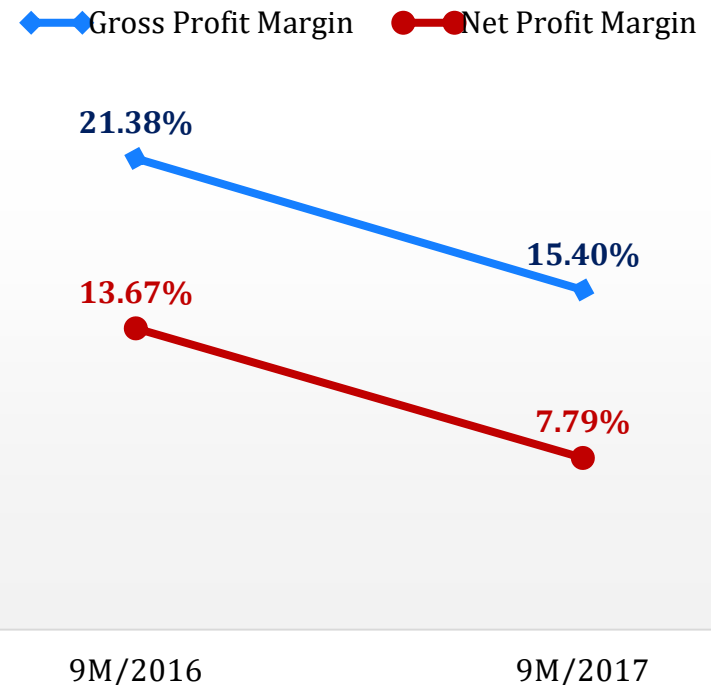
- Gross profit margin from **sales** for 9M/2017 lower than that of 9M/2016, as the company has delivered a project which would typically generate low gross margins as it is expected to be a market penetration strategy, contributing to relatively low overall gross profit margin from sales.
- Gross profit margin from **services** for 9M/2017 significantly higher than that of 9M/2016, as the Company had recently increased the price of its maintenance agreements and new contracts were renewed from expired warranty period.
- Gross profit margin from **Construction** was realized in Q2/2017 as first time due to establishment of project centers treating cancer patients with protons radiotherapy which the Company has gross profit from construction as planned project budget.

Gross Profit and Net Profit

Profit (Million Baht)



Profit Margin (%)



Net Profit Margin

- ❖ The 9-month net profit margin in 2017 decreased significantly from that of the same period in 2016 from decrease in gross profit margin, and revenue which lead to the lower proportion of revenue per fixed cost.

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What's Next?



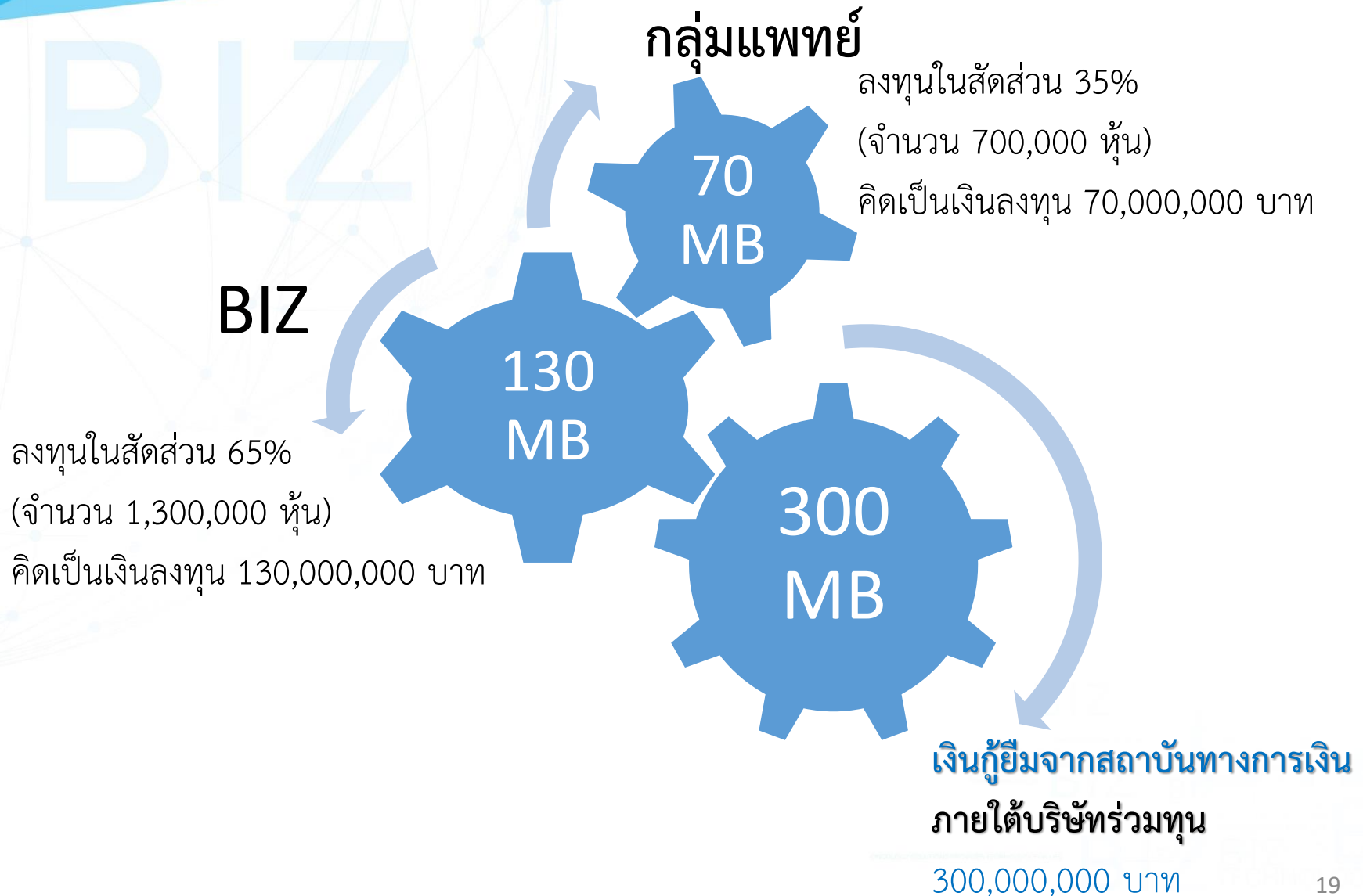
Business Plan

- **Expand our clientele into the private hospital sector**
- **Become the primary importer of state-of-the-art radiotherapy technology, enabling Thailand to become the healthcare center of the ASEAN Economic Community**
- **Expanding business to specialized hospital business**

โครงการโรงพยาบาลเฉพาะทาง ด้านการรักษาโรคมะเร็ง

- คณะกรรมการบริษัท มีมติให้เสนอต่อที่ประชุมวิสามัญผู้ถือหุ้น ครั้งที่ 1/2561 เพื่อพิจารณาอนุมัติการลงทุนในโครงการโรงพยาบาลเฉพาะทางด้านการรักษาโรคมะเร็ง ซึ่งมีมูลค่าการลงทุนประมาณ 500.00 ล้านบาท
- โดยจัดตั้งบริษัทร่วมทุน ด้วยทุนจดทะเบียนจำนวน 200,000,000 บาท แบ่งออก เป็นหุ้นสามัญจำนวน 2,000,000 หุ้น มูลค่าที่ตราไว้หุ้นละ 100 บาท
- บริษัทจะเข้าถือหุ้นในสัดส่วนร้อยละ 65.00 ของทุนจดทะเบียนของบริษัทร่วมทุนและจะมีสถานะเป็นบริษัทย่อย

แหล่งเงินทุนในการลงทุนในโครงการ (500 ล้านบาท)



ระยะเวลาก่อนเปิดดำเนินการโครงการโรงพยาบาล เฉพาะทางด้านการรักษาโรคมะเร็ง



กำหนดการประชุมวิสามัญผู้ถือหุ้น ครั้งที่ 1/2561

- วันอังคารที่ 9 มกราคม 2561

- เวลา 14:00 น. (เริ่มลงทะเบียนได้ตั้งแต่เวลา 13:00 น.)
- ณ ห้อง CROWNE 1-3 ชั้น 21 โรงแรมคราวน์พลาซ่า ถนนพระรามที่ 4 แขวงสุริยวงศ์ เขตบางรัก กรุงเทพมหานคร 10500
- จัดส่งเอกสารเชิญประชุมทางไปรษณีย์ วันที่ 25 ธันวาคม 2560 และจะเผยแพร่เอกสารทั้งหมดทางเว็บไซต์ของบริษัทฯ ด้วย



Thank You

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