**Business Alignment Public Company Limited and its subsidiary**

**Condensed notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2025**

**1. General information**

**1.1 Corporate information**

Business Alignment Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in 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. The registered office of the Company is at 92/45 Sathorn Thani Building 2, 16th Floor, North Sathorn Road, Silom Sub-District, Bangrak District, Bangkok.

**1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting, with the Company presenting condensed interim financial statements. The Company has presented the statements of financial position, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements and has presented notes to the interim financial statements on a condensed basis.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

**1.3 Basis of consolidation**

The interim financial statements include the financial statements of Business Alignment Public Company Limited (“the Company”) and its subsidiary company (“the subsidiary”) (collectively as “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2024, with no change in shareholding structure of subsidiary during the current period.

**1.4 Accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2024. However, in the current period, the Company adopts the accounting policy related to investment in associate to record investing in associate.

*Investment in associate*

Investment in associate is accounted for in the consolidated financial statements using the equity method.

Investment in associate is accounted for in the separate financial statements using the cost method.

The revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025, do not have any significant impact on the Group’s financial statements.

**2. Related party transactions**

During the periods, the Group had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Significant business transactions were summarised below.

(Unit: Thousand Baht)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | For the three-month periods ended 30 June | | | | |
|  | Consolidated financial statements | | | Separate financial statements | |
|  | 2025 | | 2024 | 2025 | 2024 |
| **Transaction with subsidiary company**  (eliminated from the consolidated financial statement) | |  |  |  |  |
| Income from guaranteeing of credit facilities | - | | - | 13 | 13 |
| Sale and service income | - | | - | 1,457 | 1,408 |
|  |  | |  |  |  |
| **Transaction with related persons or parties** | | |  |  |  |  |
| Office rental | 475 | | 406 | 475 | 406 |
| Other rental expense | 223 | | 194 | - | - |
| Cost of foods | - | | 34 | - | - |
| Cost of laundry | 95 | | 84 | - | - |
| Doctor fee | 52 | | 39 | - | - |
| Software maintenance fee | 246 | | 230 | - | - |

(Unit: Thousand Baht)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | For the six-month periods ended 30 June | | | | |
|  | Consolidated financial statements | | | Separate financial statements | |
|  | 2025 | | 2024 | 2025 | 2024 |
| **Transaction with subsidiary company**  (eliminated from the consolidated financial statement) | |  |  |  |  |
| Income from guaranteeing of credit facilities | - | | - | 27 | 27 |
| Sale and service income | - | | - | 3,427 | 2,957 |
|  |  | |  |  |  |
| **Transaction with related persons or parties** | | |  |  |  |  |
| Office rental | 996 | | 812 | 996 | 812 |
| Other rental expense | 439 | | 419 | - | - |
| Cost of foods | - | | 107 | - | - |
| Cost of laundry | 196 | | 167 | - | - |
| Doctor fee | 154 | | 215 | - | - |
| Software maintenance fee | 504 | | 460 | - | - |

The balances of the accounts between the Group and the related parties were as follows:

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | | |
|  | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 | |
| **Trade and other current receivables - related parties (Note 3)** |  |  |  |  | |
| Subsidiary | - | - | 117 | 1,697 | |
| Related companies | 68 | 76 | - | - | |
| Total trade and other current receivables - related parties | 68 | 76 | 117 | 1,697 | |
| **Other non-current assets - related parties** |  |  |  |  | |
| Related companies | 477 | 409 | 477 | 409 | |
| Total other non-current assets - related parties | 477 | 409 | 477 | 409 | |

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | | |
|  | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 | |
| **Trade and other current payable - related party** |  |  |  |  | |
| Related company | 232 | 356 | 31 | 62 | |
| Total trade and other current payable - related party | 232 | 356 | 31 | 62 | |
| **Liabilities under lease agreements - related party** |  |  |  |  | |
| Related company | 7,342 | - | 7,342 | - | |
| Total liabilities under lease agreements - related party | 7,342 | - | 7,342 | - | |

**Directors and management’s benefits**

During the three-month and six-month periods ended 30 June 2025 and 2024, the Group had employee benefit expenses payable to their directors and management as below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Thousand Baht) | | | | |
|  | For the three-month periods ended 30 June | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2025 | 2024 | 2025 | 2024 |
| Short-term employee benefits | 4,237 | 4,166 | 3,487 | 3,416 |
| Post-employment benefits | 438 | 425 | 354 | 345 |
| Total | 4,675 | 4,591 | 3,841 | 3,761 |
| (Unit: Thousand Baht) | | | | |
|  | For the six-month periods ended 30 June | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2025 | 2024 | 2025 | 2024 |
| Short-term employee benefits | 8,407 | 8,231 | 6,907 | 6,731 |
| Post-employment benefits | 875 | 852 | 706 | 691 |
| Total | 9,282 | 9,083 | 7,613 | 7,422 |

**3. Trade and other current receivables**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 |
| **Trade receivables - unrelated parties** |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due | 122,827 | 256,783 | 103,777 | 249,067 |
| Past due |  |  |  |  |
| Up to 3 months | 25,800 | 14,250 | 20,835 | 11,023 |
| 3 - 6 months | 791 | 2,967 | - | - |
| 6 - 12 months | 792 | 4,543 | - | - |
| Total | 150,210 | 278,543 | 124,612 | 260,090 |
| Construction contracts | 12,601 | 9,262 | 12,601 | 9,262 |
| Unbilled receivables | 49,767 | 58,383 | 49,492 | 57,898 |
| Total trade receivables - unrelated parties | 212,578 | 346,188 | 186,705 | 327,250 |
| **Trade receivables - related parties** |  |  |  |  |
| Aged on the basis of due dates |  |  |  |  |
| Not yet due | - | - | 90 | 1,697 |
| Total trade receivables - related parties | - | - | 90 | 1,697 |
| Total trade receivables | 212,578 | 346,188 | 186,795 | 328,947 |
| **Other current receivables** |  |  |  |  |
| Other current receivables - related parties | 68 | 76 | 27 | - |
| Others | 1,544 | 603 | 1,384 | 440 |
| Total other current receivables | 1,612 | 679 | 1,411 | 440 |
| **Total trade and other current receivables** | 214,190 | 346,867 | 188,206 | 329,387 |

As at 30 June 2025 and 31 December 2024, construction contracts and unbilled receivables can be analysed by their aging from the transaction date as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 |
| **Construction contracts** |  |  |  |  |
| Up to 3 months | 1,383 | 9,262 | 1,383 | 9,262 |
| 3 - 6 months | 11,218 | - | 11,218 | - |
| Total | 12,601 | 9,262 | 12,601 | 9,262 |

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 |
| **Unbilled receivables** |  |  |  |  |
| Up to 3 months | 48,632 | 58,120 | 48,357 | 57,635 |
| 3 - 6 months | 1,018 | 263 | 1,018 | 263 |
| 6 - 12 months | 117 | - | 117 | - |
| Total | 49,767 | 58,383 | 49,492 | 57,898 |

4. Financial lease receivable

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Consolidated financial statements/ Separate financial statements | |
|  | 30 June 2025 | 31 December 2024 |
| Finance lease receivable (contractual value) | 124,446 | 131,196 |
| Less: Unearned interest income | (28,635) | (31,528) |
| Finance lease receivable - net | 95,811 | 99,668 |
| Less: Portion due within one year | (8,063) | (7,829) |
| Finance lease receivable - net of current portion | 87,748 | 91,839 |

Current portion of finance lease receivable consists of the following:

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Consolidated financial statements/ Separate financial statements | |
|  | 30 June 2025 | 31 December 2024 |
| Current portion of finance lease receivable (contractual value) | 13,500 | 13,500 |
| Less: Unearned interest income | (5,437) | (5,671) |
| Current portion of finance lease receivable | 8,063 | 7,829 |

The outstanding balances of financial lease receivable as at 30 June 2025 and 31 December 2024 are aged, based on due date, as follows:

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Consolidated financial statements/ Separate financial statements | |
|  | 30 June 2025 | 31 December 2024 |
| *Aged on the basis of due dates* |  |  |
| Not yet due | 95,811 | 99,668 |
| Total finance lease receivable | 95,811 | 99,668 |

5. Investment in associate

5.1 Details of associate

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | (Unit: Thousand Baht) | | | | | | | |
|  |  | |  | |  | | Consolidated financial statements | | Separate financial statements | |
| Company’s name | Nature of business | | Paid-up capital | | Shareholding percentage | | Carrying amount based on equity method | | Carrying amount based on cost method | |
|  |  | | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 |
|  |  | |  |  | (Percent) | (Percent) |  |  |  |  |
| Business Alignment (Cambodia) Company Limited | Import, distribution, installation and maintenance of medical equipment | | 3,400 | - | 40 | - | 1,244 | - | 1,360 | - |
| Total investment in associate | |  |  |  |  |  | 1,244 | - | 1,360 | - |

On 5 September 2024, the Company's Board of Directors approved a collaboration to establish a company in Cambodia under the name “Business Alignment (Cambodia) Company Limited” to engage in the import, distribution, installation and maintenance of medical equipment in Cambodia. This company has a registered capital of 1,000 shares with a par value of KHR 400,000 per share, totaling KHR 400.0 million, equivalent to approximately USD 0.1 million or Baht 3.5 million. The Company holds a 40% interest in such company. On 10 February 2025, the Company paid the share subscription amounting to USD 40,000, equivalent to approximately Baht 1.4 million.

5.2 Share of comprehensive income

During the periods, the Company recognised its share of loss from investment in associate in the consolidated financial statements as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Thousand Baht) | | | | |
|  | Consolidated financial statements | | | |
|  | Share of loss from investment in associate | | | |
| Company’s name | For the three-month period ended 30 June | | For the six-month period ended 30 June | |
|  | 2025 | 2024 | 2025 | 2024 |
| Business Alignment (Cambodia) Company Limited | (35) | - | (116) | - |

**6. Long-term loans**

Movements in the long-term loans account during the six-month period ended 30 June 2025 were summarised below.

|  |  |  |  |
| --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | |
|  | | Consolidated financial statements | Separate financial statements | |
| Balance as at 1 January 2025 | | 158,599 | 69,290 | |
| Repayments | | (15,188) | (4,315) | |
| Balance as at 30 June 2025 | | 143,411 | 64,975 | |
| Less: Current portion | | (32,091) | (8,927) | |
| Long-term loans - net of current portion | | 111,320 | 56,048 | |

**7. Segment information**

The Group is organised into business units based on their products and services. During the current period, the Group has not changed the organisation of their reportable segments from the last annual financial statements.

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 (specialised in cancer treatment)

The following tables present revenue and profit information regarding the Group’s operating segments for the three-month and six-month periods ended 30 June 2025 and 2024.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | | (Unit: Thousand Baht) | | | | | | |
|  | For the three-month periods ended 30 June | | | | | | | | | |
|  | Segment 1 | | | | Segment 2 | | Eliminations | | Consolidated | |
|  | 2025 | | 2024 | | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Revenues from external customers | 393,911 | | 218,830 | | 26,426 | 25,540 | (1,457) | (1,408) | 418,880 | 242,962 |
|  |  | |  | |  |  |  |  |  |  |
| Depreciation and amortisation | 931 | | 909 | | 4,097 | 4,233 | (220) | (219) | 4,808 | 4,923 |
|  |  | |  | |  |  |  |  |  |  |
| Operating profit |  | |  | |  |  |  |  | 55,813 | 35,034 |
| Share of loss from investment in associate |  | |  | |  |  |  |  | (35) | - |
| Finance income |  | |  | |  |  |  |  | 3,810 | 2,140 |
| Finance cost |  | |  | |  |  |  |  | (2,483) | (2,838) |
| Profit before income tax expenses |  | |  | |  |  |  |  | 57,105 | 34,336 |
| Income tax expenses |  | |  | |  |  |  |  | (11,832) | (7,055) |
| Profit for the period |  | |  | |  |  |  |  | 45,273 | 27,281 |
| Non-controlling interests of the subsidiary |  | |  | |  |  |  |  | 94 | (51) |
| Profit attributable to equity holders of the Company | |  |  | |  |  |  |  | 45,367 | 27,230 |
|  |  | | | (Unit: Thousand Baht) | | | | | | |
|  | For the six-month periods ended 30 June | | | | | | | | | |
|  | Segment 1 | | | | Segment 2 | | Eliminations | | Consolidated | |
|  | 2025 | | 2024 | | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Revenues from external customers | 556,221 | | 471,068 | | 52,455 | 52,487 | (3,427) | (2,957) | 605,249 | 520,598 |
|  |  | |  | |  |  |  |  |  |  |
| Depreciation and amortisation | 1,852 | | 1,882 | | 8,207 | 8,481 | (437) | (437) | 9,622 | 9,926 |
|  |  | |  | |  |  |  |  |  |  |
| Operating profit |  | |  | |  |  |  |  | 69,871 | 80,755 |
| Share of loss from investment in associate |  | |  | |  |  |  |  | (116) | - |
| Finance income |  | |  | |  |  |  |  | 6,777 | 3,034 |
| Finance cost |  | |  | |  |  |  |  | (5,183) | (5,894) |
| Profit before income tax expenses |  | |  | |  |  |  |  | 71,349 | 77,895 |
| Income tax expenses |  | |  | |  |  |  |  | (14,830) | (15,632) |
| Profit for the period |  | |  | |  |  |  |  | 56,519 | 62,263 |
| Non-controlling interests of the subsidiary |  | |  | |  |  |  |  | (25) | (518) |
| Profit attributable to equity holders of the Company | |  |  | |  |  |  |  | 56,494 | 61,745 |

**8. Dividend**

On 21 April 2025, the Annual General Meeting of the Company's shareholders passed the resolution approving the payment of dividend in respect of operating results for the year 2024 at the rate of 0.35 per share, totaling Baht 210 million. The Company paid the dividend on 7 May 2025.

On 9 April 2024, the Annual General Meeting of the Company's shareholders passed the resolution approving the payment of dividend in respect of operating results for the year 2023 at the rate of 0.30 per share, totaling Baht 180 million. The Company paid the dividend on 25 April 2024.

**9. Commitments and contingent liabilities**

**9.1 Contractual commitments**

(1) The Company entered into two distribution agreements with an overseas company. Under the agreements, the Company was appointed the exclusive distributor for Radiotherapy products and Brachytheraphy products (including licensed software) in Thailand and Cambodia; and shall use its best efforts to purchase the products not less than the minimum amounts specified in the agreements. The agreements are effective up to 30 September 2025. The agreements may be early terminated by either party giving the other a notice in writing at least thirty days in advance.

(2) The Company has entered into a long-term service agreement with a company. Under the agreement, the contractual party is obliged to provided the agreed-upon services encompassing the installation and maintenance of system along with other services in connection with the Proton Therapy Machine for cancer treatment. The Company has agreed to pay a quarterly service fee as stipulated in the agreement. The term of the agreement is 10 years and may be extended for an additional 10 years, subject to either party providing a notification to the other party at least 120 days before the expiration.

(3) The subsidiary has entered into long-term service agreement with a company. Under the agreement, the contractual party is obliged to provided the agreed-upon services encompassing the maintenance of X-Ray computer. The subsidiary company has agreed to pay a quarterly service fee as stipulated in the agreement. The term of the agreement is 3 years, and may be terminated early by mutual consent of both parties at least 30 days in advance.

**9.2 Guarantees**

(1) The Company has guaranteed bank credit facilities of its subsidiary amounting to Baht 277 million (31 December 2024: Baht 277 million).

(2) As at 30 June 2025, the Company has outstanding bank guarantees amounting to approximately Baht 426 million (31 December 2024: Baht 428 million) issued by banks on behalf of the Company, in respect of certain performance bonds and others as required in the normal course of business of the Company.

## **10. Financial instruments**

## **10.1 Foreign currency risk**

The Company’s exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies.

As at 30 June 2025 and 31 December 2024, the balances of financial assets and liabilities denominated in foreign currencies were summarised below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Foreign currency | Consolidated financial statements/ Separate financial statements | | Average exchange rate | |
|  | 30 June 2025 | 31 December 2024 | 30 June 2025 | 31 December 2024 |
|  | (Million) | (Million) | (Baht per 1 foreign currency unit) | |
| **Financial assets** |  |  |  | |
| US dollar | 4.66 | 4.65 | 32.3893 | 33.8296 |
| **Financial liabilities** |  |  |  |  |
| US dollar | 6.76 | 1.76 | 32.7234 | 34.1461 |
| Euro | 0.01 | 0.03 | 38.5089 | 35.7819 |

## **10.2 Derivatives**

|  | (Unit: Million Baht) | |
| --- | --- | --- |
|  | Consolidated financial statements/ Separate financial statements | |
|  | 30 June 2025 | 31 December 2024 |
| **Derivative liability** |  |  |
| Foreign exchange forward contracts | 9 | 12 |
| **Total derivative liability** | 9 | 12 |

*Derivatives not designated as hedging instruments*

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 to 9 months.

**10.3 Fair value of financial instruments**

Since the majority of the Group’s financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

# **10.4 Fair value hierarchy**

As at 30 June 2025 and 31 December 2024, the Company had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

 (Unit: Million Baht)

|  | Consolidated financial statements/ Separate financial statements | |
| --- | --- | --- |
|  | Level 2 | |
|  | 30 June 2025 | 31 December 2024 |
| **Liabilities measured at fair value** |  |  |
| Derivatives |  |  |
| Forward contracts | 9 | 12 |

**11. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company’s Board of Directors on 11 August 2025.