



*Becoming the leading Company in research, manufacture and distribution of pharmaceuticals and supplements*

**STOCK INFORMATION**

(mai: JSP)

Share price (Sep 12, 2023):	THB 2.44
Historical price:	
52-week high	THB 4.50
52-week low	THB 2.28
No. of shares:	474.49 m
Par value:	THB 0.50
Market Capitalization:	THB 1,157.76 m
Value Trade/Day:	THB 6.38 m
Free float:	26.37%
Foreign ownership:	0.02%
Foreign limit:	49.00%

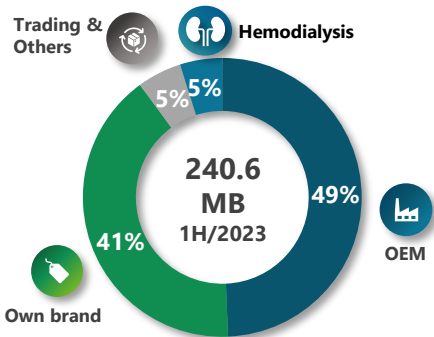
**MAJOR SHAREHOLDERS**

	(%)
Suphap Group Co., Ltd.	30.11
Pissanu Daengprasert	6.59
Jintana Santipisud	6.59
Sorasit Daengprasert	6.59
Sittichai Daengprasert	6.51
Jirada Daengprasert	6.28

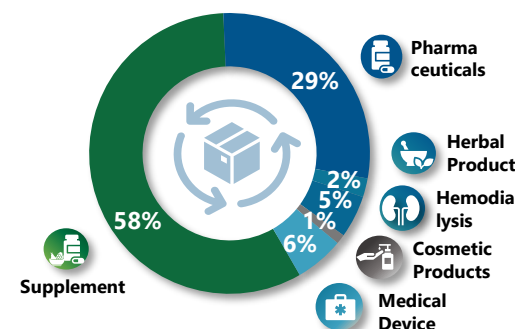
**BUSINESS INSIGHT**

- In 1H/2023, JSP displays strong revenue growth of Baht 240.6 million (+31.9% YoY) and gross profit of Baht 53.5 million (+23.2% YoY) mainly due to an increase in revenue from 1) **Recovery in orders from OEM** especially from dietary supplements and conventional medicine 2) **Maintaining leading position in TV Shopping channel** for own Suphap Osot brand 3) **Additional revenue from new investment** in the Hemodialysis business
- The Company continues to seek new investment opportunities to increase customer base while ensuring synergy between the group. In 1H/2023 the Company has acquired 52% of Grace Water Med focused on kidney patients. This acquisition will benefit the Company by obtaining a new source of revenue (hemodialysis solution), increasing trading of medical equipment supported by JSP related to kidney patients, and developing cosmetics and supplement for this new sector, supported by Caresutic. With the ageing society trend, this customer segment will display continuous growth opportunities.
- In addition, the Company have introduced a new service for Caresutic to capture a high growth industry: Pet. After COVID-19, the pet industry have been gaining importance imposing opportunities for growth. The Pet skincare and supplement industry is forecasted to grow at 7.6% CAGR until the end of 2028. As a result, the Company have introduced a new service of OEM for Pet Supplement and Cosmetic which have received strong positive feedback from the market in Q2/2023.
- In 2H/2023, JSP maintains the target to capture a 20-30% growth rate. The Company has outlined several strategic initiatives including 1) increasing the production capacity of hemodialysis solutions by 2 times at GWM 2) continuing to host open house events to capture new customer base, especially for PET, which the company target revenue recognition in Q1/24 3) increasing coverage of home shopping channels and maintain leadership position under "Suphap-Osot" brand 4) recognizing revenue from cosmetics for human in Q4/23, which is a new category at Caresutic.

**1H/2023 Operating Revenue Breakdown by Business**



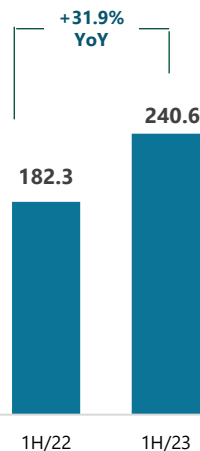
**1H/2023 Operating Revenue Breakdown by Product Line**



**Overall 1H/2023 Performance**

**Operating Revenue Performance**

(THB Million)

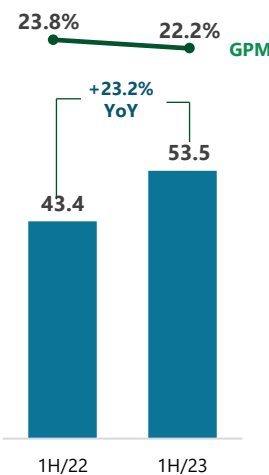


**Operating revenue increased** mainly due to:

- More orders from customers for dietary supplements and conventional medicine
- The effectiveness of the sales promotion campaign
- Installation of purified water system performed by a subsidiary

**Gross Profit and GP Margin**

(THB Million, %)

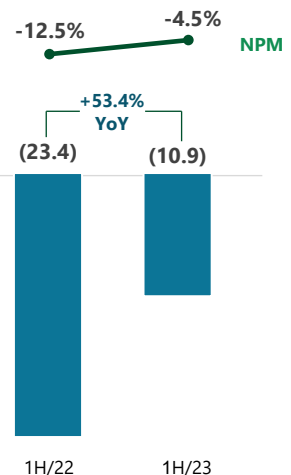


**Gross profit increased** mainly due to:

- Increased revenue from sales
- The Company reported promotion expenses with TV Direct as a deduction to revenue in accordance with TFRS 15 standards

**Net Profit and Net Profit Margin**

(THB Million, %)

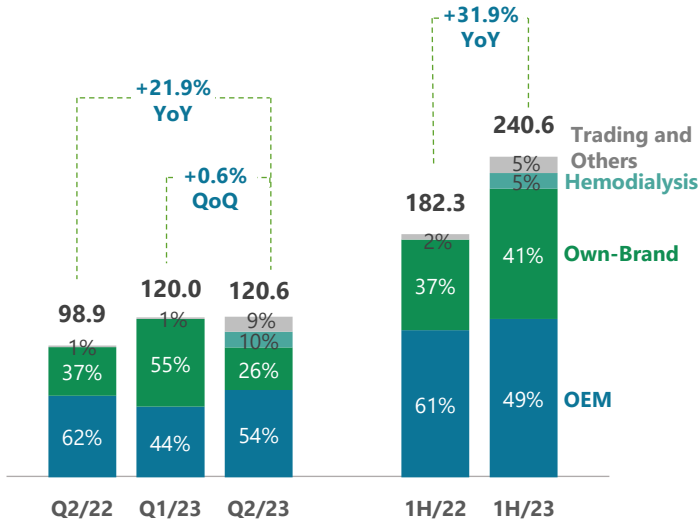


**Net profit decreased** mainly due to:

- Increased revenue from sales
- Decrease in advertising and promotion expenses from billboards as well as agent fees due to the Company's sales employees are capable of managing customers themselves

## Operating Revenue Breakdown by Business Line

Million Baht, %



### YoY: Q2/2023 vs Q2/2022

+21.9%

In Q2/23, the **operating revenue** increased by Baht 21.7 million due to:

- **OEM:** Increased from the expansion of the conventional medicine production line since 2023
- **Hemodialysis:** increased by 100.0% due to attributed to the initiation of the hemodialysis business following the acquisition of Grace Water Med Co., Ltd.

### QoQ: Q2/2023 vs Q1/2023

+0.6%

In Q2/23, the **operating revenue** slightly increased by Baht 0.7 million due to:

- **OEM:** Increased due to more orders from customer for dietary supplements and conventional medicine
- **Hemodialysis:** Increased by 100.0% due to attributed to the initiation of the hemodialysis business following the acquisition of Grace Water Med Co., Ltd.

### YoY: 1H/2023 vs 1H/2022

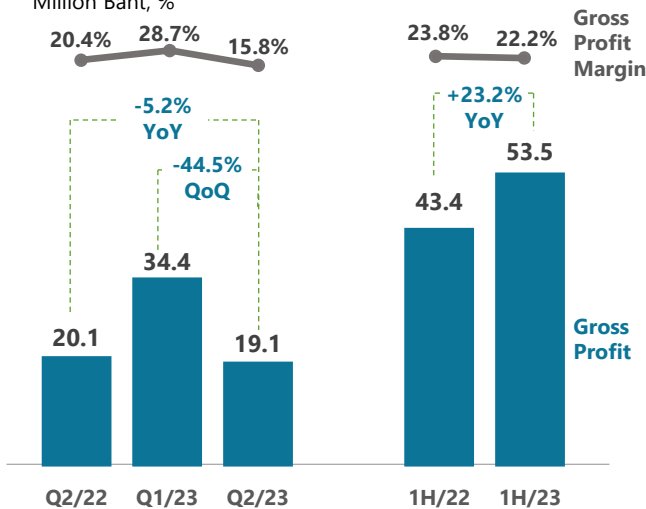
+31.9%

In 1H/23, the **operating revenue** increased by Baht 58.2 million due to:

- **OEM:** increased due to more orders from customer for dietary supplements and conventional medicine
- **Own-Brand:** Increased revenue from the effectiveness of the sales promotion campaign
- **Hemodialysis:** increased from installation of purified water system performed by a subsidiary

## Gross Profit and Gross Profit Margin

Million Baht, %



### YoY: Q2/2023 vs Q2/2022

-5.2%

In Q2/23, the **gross profit** decreased by Baht 1.0 million, mainly due to:

- Increased production costs, especially depreciation of building machinery and electricity expense

### QoQ: Q2/2023 vs Q1/2023

-44.5%

In Q2/23, the **gross profit** decreased by Baht 15.3 million, mainly due to:

- Recognized costs of sales and services from subsidiaries acquired

### YoY: 1H/2023 vs 1H/2022

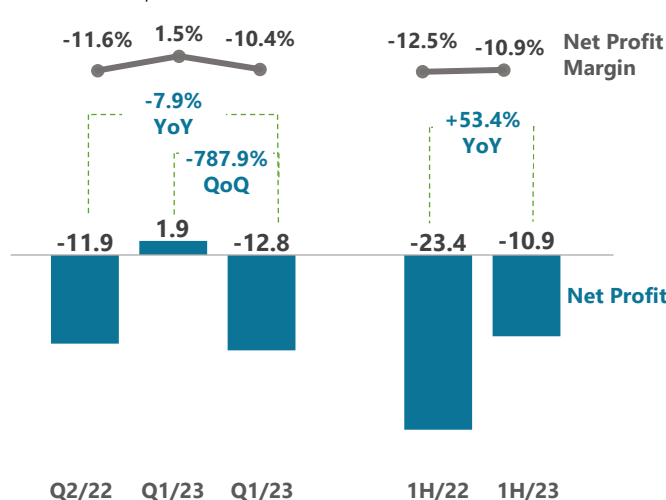
+23.2%

In 1H/23, the **gross profit** increased by Baht 10.1 million, mainly due to:

- Increased revenue from sales
- The Company reported promotion expenses with TV Direct as a deduction to revenue in accordance with TFRS 15 standards

## Normalized Profit and Normalized Profit Margin

Million Baht, %



### YoY: Q2/2023 vs Q2/2022

-7.9%

In Q2/23, the **net profit** decreased by Baht 0.9 million, mainly due to:

- Increased production costs, especially depreciation of building machinery and electricity expense

### QoQ: Q2/2023 vs Q1/2023

-787.9%

In Q2/23, the **net profit** decreased by Baht 14.6 million, mainly due to:

- Recognized costs of sales and services from subsidiaries acquired
- Increase in distribution costs from the subsidiaries acquired consisting of staff costs and freight-out

### YoY: 1H/2023 vs 1H/2022

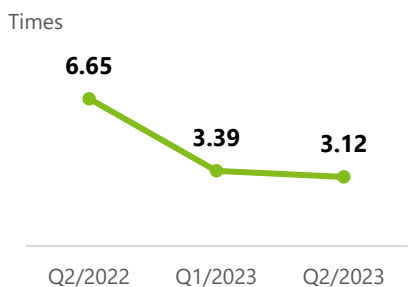
+53.4%

In 1H/23, the **net profit** increased by Baht 12.5 million, mainly due to:

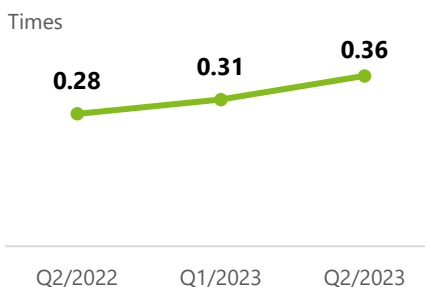
- Increased revenue from sales
- Decrease in advertising and promotion expenses as well as agent fees

## Financial Ratios

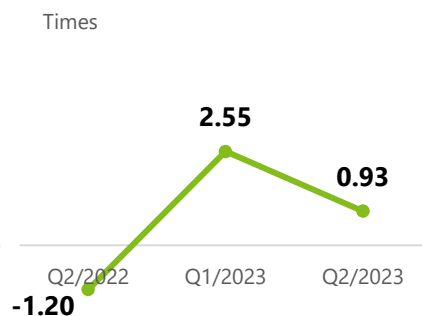
### Current Ratio



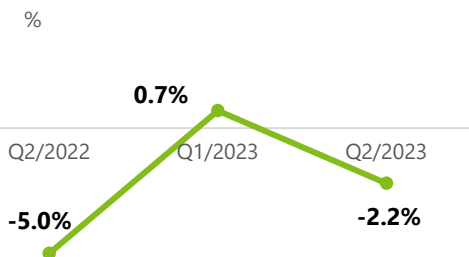
### D/E Ratio



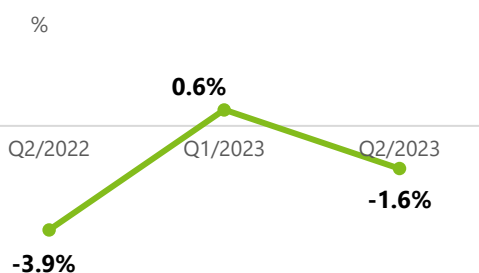
### Debt Service Coverage Ratio\*



### ROE









### ROA




\*Note: Annualized from quarterly figures

## Total Capacity

Product Type	Product Form	Additional Capacity in 2023	Total Max Capacity 2023	Utilization of 1H/2023	% Utilization	
 Pharmaceuticals	Liquid	Million m <sup>3</sup>	+1,872.0	2,246.4	209.3	9.3%
	Hormone	Million Pills	+25.3	212.5	2.2	1.0%
	Soft Gelatin Capsule	Million Pills	-	86.5	0.0	0.0%
	Cream	Million g	-	62.4	0.6	1.0%
 Supplements (for Humans and Pets)	Tablet	Million Pills	-	76.8	28.6	37.3%
	Hard Gelatin Capsule	Million Pills	+121.1	144.5	3.0	2.1%
	Soft Gelatin Capsule	Million Pills	+89.4	201.8	61.4	30.4%
	Powder	Million g	-	78.6	2.4	3.1%
 Cosmetics	Gel	Million m <sup>3</sup>	-	393.1	22.0	5.6%
 Herbal products	Tablet	Million Pills	-	81.6	6.5	8.0%
	Hard Gelatin Capsule	Million Pills	+99.1	239.6	9.2	3.8%
	Liquid	Million m <sup>3</sup>	-	404.4	0.0	0.0%
	Ointments	Million g	-	112.3	1.6	1.4%
 Hemodialysis (52%)	A-B Solution	Gallon/month	+120,000	240,000	120,000	100%
 Medis (28.6%)	Vending Machine	No. of Machines	+44	44	44	100%

Note : \*As its current utilization rate is high, the company is expanding its production capacity.

## Strategic Directions



**2023**

Mainly from Black Sesame Oil and Rice Bran Oil via TV direct

**2025**

**CAGR +30%**  
2023-2025

**2027**

Thailand's leading innovative pharmaceutical and supplement brand

**Innovative pharmaceuticals and supplements product manufacturer**



- ✓ Continuous R&D and **innovative product launch**, such as soft gelatin capsule, and chewable soft gelatin capsule
- ✓ Expand to **pet products**
- ✓ Recognized revenue from **new production facilities fully operational**
- ✓ Capacity expansion of liquid **will be operated at full capacity with backlog of 2.0 mil bottles**
- ✓ **Acquire business** for developing innovative products, and expanding distribution channels

**Leading pharmaceuticals and supplements OEM in Thailand**

- ✓ Thailand's **leading pharmaceutical and supplement OEM for Human and Pets**
- ✓ **Expanding customer base** to drive more growth
- ✓ Continuous R&D and **innovative product to increase choices for customers**
- ✓ **Capacity expansion** for support customer demand

**Thailand's well-known pharmaceutical and supplement brand for Human and Pets**

- ✓ **Continuous focus on organic growth from new facility expansion and product development** to support customer demand
- ✓ **Considering seeking a strategic partner and M&A deal** with companies that have synergies with JSP's business to drive more growth

## Strategies



*"Becoming the leading company in research, manufacture and distribution of pharmaceuticals and supplements"*

<p><b>1</b></p> <p><b>Innovation for Growth</b></p> <ul style="list-style-type: none"> <li>• <b>Continuous R&amp;D</b> for innovative products</li> <li>• Current innovation for growth:                             <ul style="list-style-type: none"> <li>✓ <b>Pet supplement product</b></li> <li>✓ <b>Chewable and Vegetable soft gelatin capsule</b></li> <li>✓ <b>Plant-based protein supplement</b></li> <li>✓ <b>Herbal Soft gelatin capsule</b></li> </ul> </li> </ul>	<p><b>2</b></p> <p><b>Elevate Own-Brand Business</b></p> <ul style="list-style-type: none"> <li>• Obtain <b>new product licenses</b></li> <li>• <b>Introduce</b> differentiated <b>own-brand products</b></li> <li>• <b>Launch wide-scale marketing</b> to strengthen brand awareness</li> </ul>	<p><b>3</b></p> <p><b>Strengthen OEM Business</b></p> <ul style="list-style-type: none"> <li>• Leverage current strengths and focus on <b>acquiring new major partner</b></li> <li>• Adding <b>new innovative products</b> to enhance customer's choice</li> </ul>	<p><b>4</b></p> <p><b>Capture Opportunity Through Investment</b></p> <ul style="list-style-type: none"> <li>• <b>Invest</b> in small-and-medium-size <b>healthcare companies</b> with high growth potential</li> </ul>	<p><b>5</b></p> <p><b>Expand to CLMV</b></p> <ul style="list-style-type: none"> <li>• <b>Acquire new licenses</b> in each country</li> <li>• <b>Expand distribution</b> of products through local distributor</li> </ul>
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