JSP Pharmaceutical Manufacturing (Thailand) PCL.

Management Discussion and Analysis

For the Six-Month Period Ended 30 June 2026

Executive Summary

Consolidated financial statements *Unit: Thousand Baht*	Quarter 2 Year 2026 ("2Q26")	Quarter 1 Year 2026 ("1Q26")	Quarter 2 Year 2025 ("2Q25")	*Change* *%QoQ*	 *%YoY*	Six-month Period Year 2026 ("6m26")	 Year 2025 ("6m25")	*Change* *%YoY*
Revenue from sales and services	236,598	201,296	263,365	*17.5%*	*(10.2%)*	437,894	491,092	*(10.8%)*
Gross profit	86,073	75,676	110,454	*13.7%*	*(22.1%)*	161,749	199,994	*(19.1%)*
Operating profit	15,750	11,762	40,631	*33.9%*	*(61.2%)*	27,511	54,834	*(49.8%)*
EBITDA	32,692	28,211	58,008	*15.9%*	*(43.6%)*	60,902	89,645	*(32.1%)*
Net profit	**10,030**	**841**	**26,612**	***1,092.6%***	***(62.3%)***	**10,870**	**31,299**	***(65.3%)***
Net profit to the parent company	**10,221**	**453**	**28,128**	***2,156.3%***	***(63.7%)***	**10,674**	**35,619**	***(70.0%)***
Gross profit margin	*36.4%*	*37.6%*	*41.9%*	*(1.2%)*	*(5.5%)*	*36.9%*	*40.7%*	*(3.8%)*
EBITDA margin	*13.6%*	*13.6%*	*21.7%*	-	*(8.1%)*	*13.6%*	*18.0%*	*(4.4%)*
Net profit margin	***4.2%***	***0.4%***	***10.0%***	***3.8%***	***(5.8%)***	***2.4%***	***6.3%***	***(3.9%)***

Source: Interim financial information 6m26 (Reviewed), 3m26 (Reviewed) and management information

Significant events during the second quarter of 2026

- During the second quarter of 2026, the world had a conflict in Middle East area and had interruption to worldwide supply chain. Oil price increased so that related products and transportation costs soared, especially plastic which the Group uses as core packaging.
- The Group had measures and responds to the exposure by monitoring situations that might have impact to the Group's supply chain closely. In addition, the Group has considered operations plan in relation to create buffer stock over raw materials and packaging, as necessary, to ensure that the Group will have sufficient quantity of materials for production. Moreover, the Group has considered demand planning from sales teams and then determined material purchase plan in advance along with changing of situations.
- In addition, the Group set aside plans to increase production efficiency and cost controls, which are essential parts to create the Group's sustainable profit. For instance, employing machinery in production process or automation in work administration.

The Second Quarter QoQ (2Q26 vs 1Q26)

- Consolidated revenues from sales and services for the second quarter QoQ increased by 17.5%. This was mainly because the Group had more orders from OEM customers.
- Consolidated gross profit for the second quarter QoQ decreased by 1.2% since production costs increased from the regional conflict which had impact thorough 2Q26.
- In 2Q26, the Group reported consolidated EBITDA margin and net profit margin at the rates of 13.6% and 4.2%, respectively.

The Second Quarter YoY (2Q26 vs 2Q25)

- The Group had higher consolidated revenues from sales and services for the second quarter QoQ decreased by 10.2%. This was principally because revenue from Own Brand products decreased totalling Baht 19.0 million.
- The Group's consolidated gross profit decreased by 5.5% mainly derived from upward trend of production cost.
- In 2Q26, the Group had consolidated net profit lower than 2Q25 due to lower operating profit.

Six-month Period YoY (6m26 vs 6m25)
o Consolidated revenue from sales and services for six-month period YoY declined by 10.8%. This was principally because revenue from Own Brand product decreased by Baht 42.9 million. While, the Group had more revenue from hemodialysis and medical supplies increased by Baht 9.3 million.
o The Group had lower consolidated gross profit margin by 3.8% for six-month period YoY since cost of certain raw materials and packaging increased.
o The Group reported net profit for the six-month period amounting to Baht 10.9 million.

Six-month Period financial ratios YoY (6m26 vs FY25)
o The Group had returns on assets and equity for 6m26 at 1.5% and 2.4%, respectively.
o For 6m26, D/E ratio was stable and reported at 0.57 times.

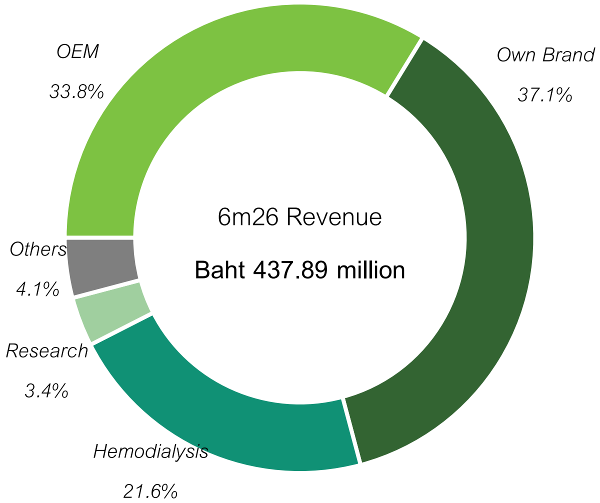
Significant events during 2Q26 and after the reporting date

Interim dividend payment for the operating results of six-month period 2026

At the Board of Directors' Meeting No. 4/2026 on 11 August 2026, the Board of Directors approved an interim dividend payment from operating results for the six-month period ended 30 June 2026 at the rate of Baht 0.0212 per share, totalling Baht 10.06 million, and the Company will pay such interim dividend to shareholders in September 2026.

Operating results

1. Revenue from sales and services structure



Products under customer's brand (OEM)

- o The Group had variety of product to support customer's demand. This includes dietary supplements, syrup conventional medicine and hormones.

Products under the Group's brand (Own Brand)

- o The Group's brand consisted of JSP™, Suphap Osot™, which covered many channels of distribution
- o The Group's had product development and marketing plans to expand revenue from Own Brand segment.

Dialysis solution (Hemodialysis)

- o The Group distributes dialysis solution for domestic dialysis clinic

Research and development, training and seminar services (Research)

- o The Group provides product research and development of products, training and seminar and consultancy for research fund application

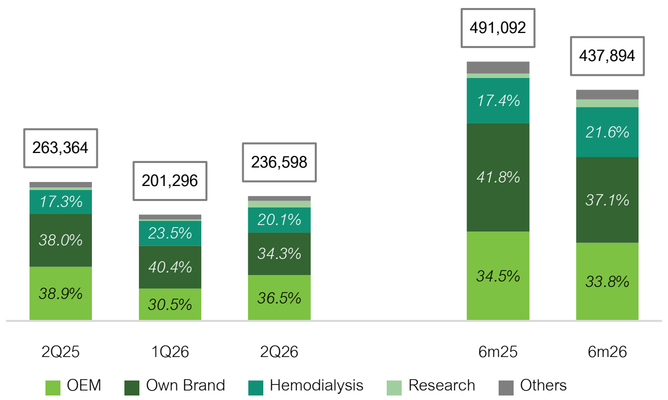
Other products (Others)

- o The Group trades certain products such as vaccines and distribution of goods via vending machines.
- o The Group provides purified water system installation for industrial purposes.

Revenue by product type

Consolidated financial statements *Unit: Thousand Baht*	Quarter 2 Year 2026 ("2Q26")	Quarter 1 Year 2026 ("1Q26")	Quarter 2 Year 2025 ("2Q25")	*Change* *%QoQ*	*%YoY*	Six-month Period Year 2026 ("6m26")	Year 2025 ("6m25")	*Change* *%YoY*
OEM	86,472	61,361	102,554	*40.9%*	*(15.7%)*	147,833	169,366	*(12.7%)*
Own Brand	81,138	81,262	100,184	*(0.2%)*	*(19.0%)*	162,400	205,320	*(20.9%)*
Hemodialysis	47,457	47,292	45,447	*0.3%*	*4.4%*	94,749	85,498	*10.8%*
Research	12,631	2,249	4,849	*461.6%*	*160.5%*	14,880	8,292	*79.5%*
Others	8,900	9,132	10,330	*(2.5%)*	*(13.8%)*	18,032	22,616	*(20.3%)*
Total	236,598	201,296	263,364	*17.5%*	*(10.2%)*	437,894	491,092	*(10.8%)*

Source: Interim financial information 6m26 (Reviewed), 3m26 (Reviewed) and management information



The Second Quarter QoQ (2Q26 vs 1Q26) Consolidated revenues from sales and services increased by 17.5%, which mainly because

- OEM products: Revenue from OEM products for the second quarter QoQ dropped amounting to Baht 25.1 million since the Group had more orders for dietary supplements and conventional medicines.
- Own Brand products: The Group had revenues mainly derived from Suphap Osot™ dietary supplements "Balack Sesame Oil + Rice Bran Oil" and "4 Mix Oil".

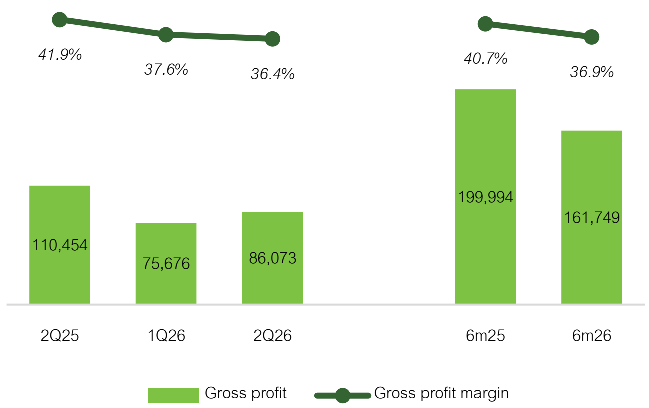
The Second Quarter YoY (2Q26 vs 2Q25) Consolidated revenues from sales and services decreased by 10.2% since

- OEM products: The Group had lower revenue for the second quarter YoY amounting to Baht 16.1 million.
- Own Brand products: Due to local economy slow down, this type of product had Baht 19.0 million decline in the second quarter YoY.
- Hemodialysis products: The Group's revenues in this segment for 2Q26 accounted for 20.1% of consolidated revenue from sales and services.

Six-month Period YoY (6m26 vs 6m25) Consolidated revenues from sales and services decreased by 10.8% since

- OEM products: Revenue from this type of product for six-month period YoY decreased amounting to Baht 21.5 million.
- Own Brand products: This type of product had 20.9% revenue dropped since local economy slow down
- Hemodialysis products: This product contributed 21.6% of consolidated revenues from sales and services for 6m26. The Group had higher revenue from trading of medical supplies for dialysis.

2. Gross profit and gross profit margin



The Second Quarter QoQ (2Q26 vs 1Q26)

- Consolidated gross profit in the second quarter QoQ increased by 13.7% due to the growth of consolidated revenue from sales and services.
- Consolidated gross profit margin for the second quarter QoQ declined by 1.2% due to the increase of price of certain raw materials and packaging.

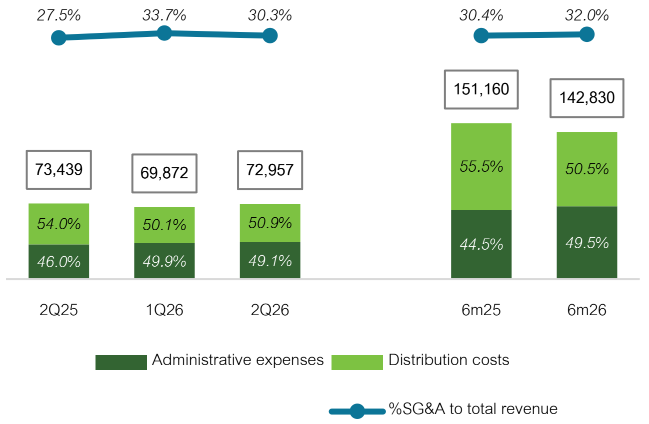
The Second Quarter YoY (2Q26 vs 2Q25)

- The Group's consolidated gross profit margin decreased by 5.5% because consolidated gross profit dropped by Baht 38.2 million.

Six-month Period YoY (6m26 vs 6m25)

- Revenue from Own Brand products for six-month period decreased by Baht 42.9 million; therefore, consolidated gross profit declined by 3.8%.

3. Distribution costs and administrative expenses



The Second Quarter QoQ (2Q26 vs 1Q26)

- Distribution costs: The Group's consolidated distribution costs for 1Q26 and 2Q26 were Baht 35.0 million and Baht 37.2 million, respectively. Consolidated distribution costs slightly increased mainly from product registration expenses and travelling expenses.
- Administrative expenses: The Group had consolidated administrative expenses for 3Q25 and 4Q25 totalled Baht 38.5 million and Baht 44.3 million, respectively. The consolidated administrative expenses increased due to staff costs.

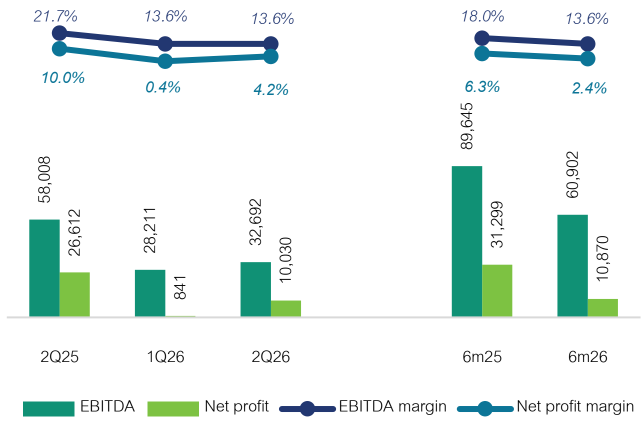
The Second Quarter YoY (2Q26 vs 2Q25)

- Distribution costs: The decrease of adverting expenses resulted to consolidated distribution costs for the second quarter YoY decreased by Baht 2.2 million.
- Administrative expenses: Consolidated administrative expenses rose up by Baht 2.0 million due to staff costs.

Six-month Period YoY (6m26 vs 6m25)

- Distribution costs: During 6m26, the Group changed proportion of advertising media from television to online. This resulted to lower operating expenses and that consolidated distribution costs for six-month period YoY decreased totalled Baht 11.8 million.
- Administrative expenses: Consolidated administrative expenses were higher by Baht 3.5 million for six-month period YoY because of staff costs.
- Consolidated distribution costs and administrative expenses as a percentage of consolidated revenues: The Group had 5.5% decreased in consolidated distribution costs and administrative expenses for six-month period YoY. This was because less spending over advertising for Own Brand. However, the Group's ratio for 6m26 increased to 32.0% since revenues decreased in higher proportion than expenses.

4. EBITDA and net profit



The Second Quarter QoQ (2Q26 vs 1Q26)

- The Group's consolidated EBITDA increased by 15.9% for the second quarter QoQ since operating profit increased by Baht 4.0 million.
- In 2Q26, the Group's consolidated net profit margin was at 4.2%.

The Second Quarter YoY (2Q26 vs 2Q25)

- Consolidated net profit decreased due to the shrinkage of consolidated gross profit and the increase of expected credit loss and impairment loss.

Six-month Period YoY (6m25 vs 6m24)

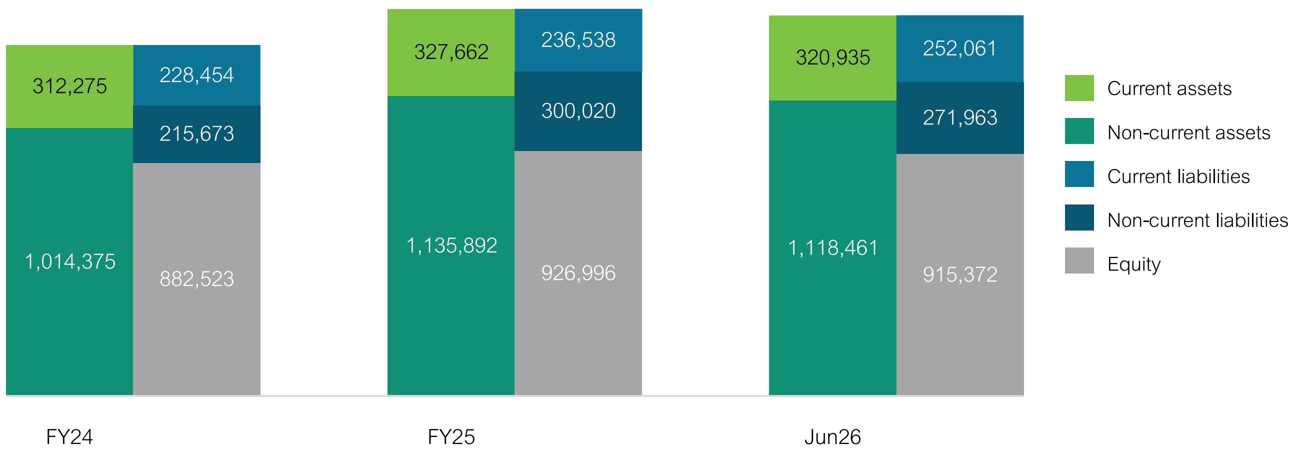
- Since operating profit for six-month period YoY decreased, the Group had less consolidated EBITDA and net profit accordingly.

Consolidated income statement

Consolidated financial statements *Unit: Thousand Baht*	Quarter 2 Year 2026 ("2Q26")	Quarter 1 Year 2026 ("1Q26")	Quarter 2 Year 2025 ("2Q25")	*Change* *%QoQ*	*%YoY*	Six-month Period Year 2026 ("6m26")	Year 2025 ("6m25")	*Change* *%YoY*
Revenue from sales	219,140	194,598	254,687	*12.6%*	*(14.0%)*	413,738	474,205	*(12.8%)*
Revenue from services	17,458	6,698	8,678	*160.6%*	*101.2%*	24,156	16,887	*43.0%*
Cost of sales	(138,679)	(120,553)	(147,148)	*15.0%*	*(5.8%)*	(259,232)	(277,549)	*(6.6%)*
Cost of services	(11,846)	(5,067)	(5,763)	*133.8%*	*105.6%*	(16,913)	(13,549)	*24.8%*
Gross profit	**86,073**	**75,676**	**110,454**	***13.7%***	***(22.1%)***	**161,749**	**199,994**	***(19.1%)***
Other income	2,634	5,958	3,616	*(55.8%)*	*(27.2%)*	8,592	6,000	*43.2%*
Distribution costs	(37,157)	(34,988)	(39,651)	*6.2%*	*(6.3%)*	(72,146)	(83,966)	*(14.1%)*
Administrative expenses	(35,800)	(34,884)	(33,788)	*2.6%*	*6.0%*	(70,684)	(67,194)	*5.2%*
Operating profit	**15,750**	**11,762**	**40,631**	***33.9%***	***(61.2%)***	**27,511**	**54,834**	***(49.8%)***
Finance costs	(4,885)	(4,823)	(3,354)	*1.3%*	*45.6%*	(9,708)	(7,371)	*31.7%*
Reversal of expected credit losses (expected credit loss) of financial assets	1,778	(5,346)	(292)	*133.3%*	*708.9%*	(3,568)	(1,972)	*(80.9%)*
Impairment loss of non-financial assets	(423)	-	-	*(100.0%)*	*(100.0%)*	(423)	-	*(100.0%)*
Share of loss from investment in an associate	-	-	(2,308)	-	*100.0%*	-	(3,091)	*100.0%*
Profit before taxes	**12,220**	**1,593**	**34,677**	***667.1%***	***(64.8%)***	**13,812**	**42,400**	***(67.4%)***
Income taxes expense	(2,190)	(752)	(8,065)	*(191.2%)*	*72.8%*	(2,942)	(11,101)	*73.5%*
Net profit	**10,030**	**841**	**26,612**	***1,092.6%***	***(62.3%)***	**10,870**	**31,299**	***(65.3%)***
Net profit to parent company	**10,221**	**453**	**28,128**	***2,156.3%***	***(63.7%)***	**10,674**	**35,619**	***(70.0%)***
Earningsper share (Baht)								
Basic	0.02	0.001	0.06			0.02	0.08	
Diluted	0.02	0.001	0.06			0.02	0.08	

Source: Interim financial information 6m26 (Reviewed), 3m26 (Reviewed) and management information

Financial position



Assets

- Current assets: As of 30 June 2026 ("Jun26"), consolidated current assets mainly comprised trade receivables and inventories, accounted for 78.5% of consolidated current assets. As of Jun26, consolidated current assets decreased from 31 December 2025 ("FY25") because trade receivables decreased totalled Baht 19.4 million, in line with consolidated revenue from sales and services.
- Non-current assets: As of Jun26, the Group had property, plant and equipment accounted for 73.2% of consolidated total assets. The lower value of property, plant and equipment as of Jun26 from FY25 was due to depreciation charged for 6m26.

Liabilities

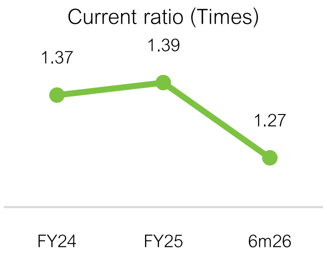
- Current liabilities: The Group had consolidated current liabilities as of Jun26 higher than FY25 by Baht 15.5 million due to trade payables increased amounting to Baht 12.4 million.
- Non-current liabilities: Consolidated non-current liabilities as of Jun26 increased from FY25 by 9.4% because the Group had continually repaid long-term loans from financial institutions.

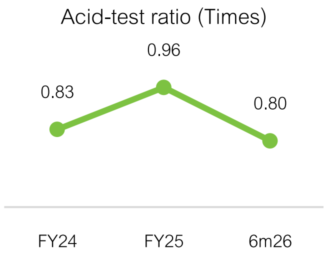
Equity

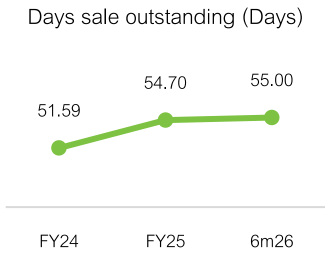
- During 6m26, the Company paid annual dividend for 2025 to shareholders amounting to Baht 22.5 million.

Significant financial ratios

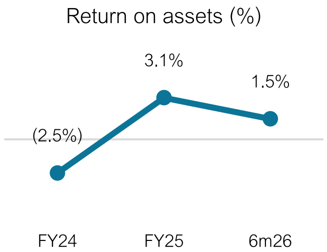
Liquidity ratios

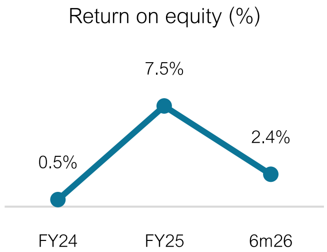




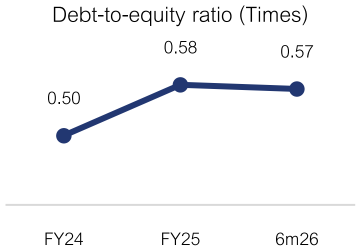


Profitability ratios





Financial leverage ratio



- In 6m26, the Group's had lesser liquidity due to higher of current liabilities.
- Returns on equity for 6m26 increased from FY25 because consolidated net profit margin increased.
- D/E ratio for 6m26 was in line with FY25 at 0.57 times.